

FEDERAL BUREAU OF INVESTIGATION

BUGSY SIEGEL

PART # 1 OF 11

PAGES AVAILABLE THIS PART 216



FEDERAL BUREAU OF INVESTIGATION

FILES CONTAINED IN THIS PART :

FILE #

62-81518 (SEC 1-2)

PAGES AVAILABLE

FILE DESCRIPTION

BUREAU FILE

14X2

PT 2

SUBJECT BUGSY SIEGEL

FILE NO. 62-81518

SECTION NO. 1

SERIALS 1

to

60

TO: SAC, LOS ANGELES

FROM: SAC, LAS VEGAS

SUBJECT: [REDACTED]

SAC [REDACTED] advised that following installations were made at the following locations:

Technical and wiretapping installation made at the premises occupied by Bugsy Siegel, Suite 201, East Flamingo Hotel, Las Vegas, telephone 1808, [REDACTED] advised that installations were also covering the telephone in the "Boiler Room" of the Las Vegas Club. The "Boiler Room" is the room utilized by Moe Sedway as a business office and which is frequented by Bugsy Siegel when at Las Vegas. The telephones covered are Las Vegas 2460, [REDACTED] Las Vegas 2284, [REDACTED] Las Vegas 2284. The installations were made at 2 p.m., Pacific Standard Time.

Siegel left Los Angeles at 1:30 p.m. today and will arrive at Las Vegas at 3:30 p.m., Pacific Standard Time, travelling by plane.

ACTION TAKEN: SAC [REDACTED] has advised [REDACTED] of Siegel's contemplated departure.

70 JUL 6 1946
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 12/15 BY 11-2010

Salt Lake City, Utah
July 17, 1946

PLANS, AND CONTINUED

ATTENTION: Assistant Director A. ROSEN

No: CAPRA

This is in reference to my telephone conversation today with
of the Bureau, relative to information furnished by
concerning the hook-up of BULGARIAN "agents"
with the real wire service operating in competition with the wire
service of JAMES H. HARRIS, JR.

10: MEMBERS OF THE SERVICE

On July 17, 1946 that at 3:00 p.m., July 16, 1946, RAY at Las Vegas, Nevada had received a Long Distance telephone call from SIGEL in Los Angeles. The latter indicated that he planned on returning to Las Vegas the evening of July 18, 1946. According to the informant, SIGEL mentioned to RAY that "the boys" have been working as a wire service in their own on a nationwide basis. He indicated that their plans were about seven months old and that their headquarters is in Chicago where in the Loop district. SIGEL stated that a book of the title of the group is "The Boys" and is head of the group and called the "Boys" or the Boys organization. SIGEL mentioned that RAY was the businessman for them. He mentioned others as Ray.

10-10-1964
10-11-1964

mentioned
report, dated July 15,

DEFERRED RECORDING

42

55 11 33

44-38861-5025

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

000000

Director, FBI
Re: CAPGA

It is suggested that the Bureau be advised to direct the
Index Office with a view of possibly
based on information developed by the Index Office
is believed that

XXXXXX
XXXXXX
XXXXXXFEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

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- ☐ Information pertained only to a third party with no reference to you or the subject of your request.
- ☐ Information pertained only to a third party. Your name is listed in the title only.
- ☐ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

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☐ For your information: _____

☒ The following number is to be used for reference regarding these pages:

62-81518-2 pg 4

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 X NO DUPLICATION FEE X
 X FOR THIS PAGE X
 XXXXXXXXXXXXXXXXXXXX

Director, FBI
Re: CAIGA

SAC E. A. Tamm of the Los Angeles office was advised telephonically by me on July 17, 1944 that the Bureau had received a return to the Los Angeles letter of July 15, 1944.

Re:

Reference is made to the Bureau's letter to the Bureau dated July 15, 1944, and the Bureau's letter to the Los Angeles office dated July 15, 1944, and the Bureau's letter to the Los Angeles office dated July 15, 1944.

The Bureau's letter to the Los Angeles office dated July 15, 1944, and the Bureau's letter to the Los Angeles office dated July 15, 1944, and the Bureau's letter to the Los Angeles office dated July 15, 1944.

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XXXXXX
XXXXXXFEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET2

Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

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- ☐ Information pertained only to a third party. Your name is listed in the title only.
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☐ For your information: _____

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62-81518-2 pg 647

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Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. E. A. TALEM

FROM : *Rg* Rosen *EW*

SUBJECT: REACTIVATION OF THE CAPORE GANG
CRIME SURVEY - LAS VEGAS, NEVADA

DATE: July 11, 1946 ✓

Call: 2:10 p.m. ✓

SAC Newman, Salt Lake City, at this time telephonically furnished the following information.

Yesterday Siegel suddenly announced that he had to return to Los Angeles immediately and indicated something very important was going to happen. He took a plane last night at 6:50 out of Las Vegas to return to Los Angeles. Mr. Newman advised that in a conversation with SAC Hood he had learned Hood apparently has picked up information in Los Angeles as to what the big deal is about. They believe it has to do with the Flamingo Hotel which is being constructed on the Las Vegas - Los Angeles Highway just outside of Las Vegas. Siegel and Lacey are interested in this hotel.

Siegel is worried about his finances at this time and everything he has is tied up in the hotel construction.

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ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/15/05 BY SP-1116/afk

DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUL 22 1946

TELETYPE

Mr. Tolson	
Mr. E. A. Tamm	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Carson	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Hendon	
Mr. Pennington	
Mr. Quinn Tamm	
Mr. Nease	
Miss Gandy	

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/26/85 BY SP-9 MAC/MS

Siegel

WASHINGTON FROM CHICAGO 4 22 5-00 PM

DIRECTOR

ATTENTION - MR. ROSEN

PROCEEDING SALT LAKE CITY NINE FIFTEEN PM TODAY VIA UNION

PACIFIC TRAIN TWENTY ONE, LOWER SEVEN, CAR TWO FOURTEEN. ARRIVE

SALT LAKE CITY EIGHT AM JULY TWENTY FOURTH.

OSTHOLTHOFF

70 JUL 26 1946
AND PER ACK

162-81514-
NOT RECORDED
19
moham

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FEDERAL BUREAU OF INVESTIGATION
U S DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
JUL 25, 1946
TELETYPE

FBI CLEVELAND

7-25-46

10-55

AM EST

WAX

RELIABLE SOURCE ADVISED THAT

JULY TWENTY THREE LAST AND WAS SEEN AT THE HOLLENDEN

THEY USUALLY STOP AT THE BRIDGE...
LOCATED IN THAT VICINITY.

70 JUL 29 1946

ADK PLS

NYC BK FOR NYC DS

COPY

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FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON 25, D. C.
July 18, 1946

MEMORANDUM FOR THE ATTORNEY GENERAL

RE: REACTIVATION OF THE CAPONE GANG

In the course of the above investigation, we have ascertained that Benjamin "Bugsy" Siegel, notorious racketeer with underworld connections on the west and east coasts and Las Vegas, Nevada, will again visit the latter city within the next few days and reside at the Last Frontier Hotel there in Suite 401. As previously pointed out, we are desirous of following Siegel's widespread activities and, therefore, are requesting authority to place a technical surveillance on his telephone at the Last Frontier Hotel which will be Las Vegas 1800.

At this time, I also wish to point out that Siegel, because of his far-flung interests, is almost in constant travel status, thereby making it extremely difficult at times to follow his activities and anticipate his movements. It is recommended, therefore, that authority be granted to cover any hotels, residences, or places of business which might be used by Siegel in his journeys throughout the country. I strongly feel that this type of coverage is necessary if we are to establish his racketeering connections.

Respectfully,

/s/ J. Edgar Hoover

John Edgar Hoover
Director

ALL INFORMATION CONTAINED
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DATE 1/14/85 BY SP-7/mc/100

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62-81518-7

7/30/46

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PERSONAL AND CONFIDENTIAL
SAC, Salt Lake City

July 19, 1946

Director, FBI

REACTIVATION OF THE CAPONE GANG
CRIME SURVEY

RECORDED
62-8158-7

In confirmation of the telephone call from the Bureau to SAC J. C. Brown of the Salt Lake Field Office on July 18, 1946, authority is granted to place a technical surveillance on the telephone of Benjamin "Bugsy" Siegel at the West Frontier Hotel, Las Vegas, Nevada, where his telephone number will be Las Vegas 1800. This authority is granted, of course, with the understanding that full security is assured. The Salt Lake City Office should furnish by teletype to the Bureau and the Chicago Office the time, date of installation, symbol number, and plant location of the technical surveillance.

The authority received from the Attorney General for the installation of technical surveillances in this case, because Siegel is in almost constant travel status, extends to any hotel, residence or place of business which might however, in connection with any future technical surveillances which offices receiving copies of this letter may desire to install on Siegel, to obtain prior Bureau authority therefor, based upon assurances of full security for each installation.

The Salt Lake City and Los Angeles Offices, in addition to obtaining Bureau authority for any further technical surveillances which may be desired on Siegel, should keep the Chicago Office as the office of origin currently advised with regard to installations both contemplated and put into operation.

CC - Chicago
Los Angeles

DECLASSIFIED BY SP-8 JMC/RS
ON 10/28/83

COMMUNICATIONS SECTION
JUL 20, 1946

[Redacted] b7c

COPIED
7/30/46

53 AUG 6 1946

INITIALS TO STAFF

19

**Federal Bureau of Investigation
United States Department of Justice**

Salt Lake City, Utah
July 16, 1946

Director, FBI

PERSONAL AND CONFIDENTIAL

Attention: Assistant Director A. ROSEN

Re: CAPCA

Dear Sir:

Reference is made to my conference teletype to the Bureau and the Chicago Office today, a copy of which has been mailed to the Cleveland Office, relating to:

This will also refer to Cleveland Office letter to the Bureau dated July 12, 1946, and the Bureau's conference teletype to the Chicago, Cleveland and Salt Lake City Offices on July 15, 1946.

Re:
7



62-81518-8

Director, FBI
Re: CAPGA

Re: BENJAMIN "BUGSY" SIEGEL

MOE SEDWAY had received a Long Distance telephone call in Las Vegas on July 15 from SIEGEL in Los Angeles. SIEGEL desired to know if SEDWAY had heard WINCHELL'S broadcast Sunday evening, July 14 (referred to in my letter of July 15, 1946), and also was interested in knowing what comment had been heard around Las Vegas concerning WINCHELL'S allegation that a prominent West Coast racketeer was attempting to "muscle" a prominent West Coast newspaper publisher out of his interest in a hotel. SEDWAY, according to the informant, told SIEGEL that he had heard the broadcast but there had been no comment whatever around Las Vegas about it. SIEGEL was reportedly somewhat relieved when SEDWAY informed him that no comment had been heard there. According to the informant, SIEGEL, in conversing telephonically with SEDWAY on July 15, referred to and stated that he had made the "s-o-b" sign up that day.

In his telephone conversation with SEDWAY on July 15, SIEGEL is reported to have informed SEDWAY that he might return to Las Vegas the latter part of this week or the first part of next week.

Very truly yours,


J. EDGAR HOOVER
SAC

JCH

62-1123

cc: 62-112

cc: Assistant Director E. J. CONNELLY, Chicago
Los Angeles
New York

ALL INFO

(Taken from Salt Lake letter 7-16, page 2)

cc Mr. Tamm
Mr. Rosen

b7c

Mr. TAMM

July 19, 1946

A. ROSEN

CAPCA

[REDACTED]

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b7D

[REDACTED]

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[REDACTED]

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[REDACTED]

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[REDACTED]

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DATE 10/21/85 BY SP-7 MAC/STB

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62-81518-9
F B I
48 JUL 30 1946

- Tolson
- E. A. Tamm
- Clegg
- Glavin
- Ladd
- Nichols
- Rosen
- Tracy
- Carson
- Coffey
- Harbo
- Belmont
- Pennington
- Quinn Tamm
- Nease
- as Jandy

58 JUL 31 1946

[REDACTED]

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ORIGINAL FILED IN 62-81518-9

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. E. A. Tamm
 FROM : A. Rosen
 SUBJECT: BENJAMIN "BUGS" SIEGEL
 Information Concerning

DATE: July 21, 1946

Mr. E. A. Tamm	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Carson	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Hendon	
Mr. Pennington	
Mr. Quinn Tamm	
Tele. Room	
Mr. Nease	
Miss Gandy	

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 10/29/95 BY SP-7 MAC/BS

Purpose

WALTER

To advise that Siegel has been informed that Winchell claims the Director furnished him the item he broadcast July 14, 1946, concerning a West Coast racketeer's interest in a hotel. Siegel referred to the Director in a most degrading and insulting manner and claimed he would have Winchell bring the Director to him so that Siegel could make the Director disclose his source of information.

Phone Call to Siegel

Special Agent in Charge Newman of the Salt Lake City Field Division at 1:00 a.m., July 21, 1946, telephonically furnished the following information which was obtained from the technical installation covering telephone Las Vegas 2460, one of the phones in the "Boiler Room" of the Las Vegas Club, Las Vegas.

At 7:15 p.m., July 20, 1946, [redacted] telephoned "Bugs" Siegel from Los Angeles advising that he had received a letter from Walter Winchell today, (July 20, 1946.) In this letter Winchell explained that the Director was his source of information concerning the item he had used on his radio broadcast last Sunday, (July 14, 1946) to the effect, "According to the FBI, a prominent West Coast racketeer is endeavoring to muscle a prominent West Coast publisher out of his interest in a West Coast hotel."

(In the course of his conversation with Siegel relative to Winchell's letter, [redacted] referred to the Director by his last name, his initials, his first name, and his initial and first name, according to Mr. Newman.)

In this letter, Winchell explained that the Director in furnishing him the item had not identified the persons (West Coast racketeer and publisher) involved. Winchell stated that he thought the Director was referring to [redacted] Winchell indicated that if the Director had even mentioned the city (Las Vegas) he (Winchell) would have had a good idea who was involved and "laid off." Winchell in this letter further stated that while he considered [redacted] a very good friend, he considered the other two even better friends. (Mr. Newman advises that apparently Winchell was referring to the Director and "Bugs" Siegel as his better friends.)

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51 AUG 9 1946

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62-81518-10

29 JUL 30 1946

"Bugs" Siegel, after hearing this, started cursing and swearing. He, however, apparently placed full credence upon [redacted] story as to the receipt of the letter from Winchell and its contents as furnished above. Siegel also appeared to be on good terms with [redacted]

Siegel's Conversation with Virginia Hill

A short time later Siegel returned to his suite at the Last Frontier Hotel, which he is occupying with his mistress, Virginia Hill, and the following information was obtained from the microphone installation covering this suite.

Siegel and Virginia Hill engaged in a conversation in which both used considerable profanity. Siegel stated that he had someone calling Walter Winchell from Las Vegas today to find out the source of his item in his broadcast last week. Winchell identified the source as the Director and when he (Winchell) learned that Siegel and [redacted] were involved, exclaimed, "God, what a mistake I made. I may have caused them (Siegel and [redacted]) to lose their hotel licenses." (Mr. Newman stated that he is of the opinion that Siegel was referring to the information he received from his phone call from [redacted].) The Salt Lake City Division has no information concerning a phone call to [redacted] from Las Vegas.)

WINCHELL.

Siegel stated that he was going to New York to have Winchell get hold of the Director and bring the Director to him (Siegel). Referring to the Director, Siegel shouted, "I'll make that C--- S--- tell me how he got his information." Siegel implied that he would take care of the people who furnished the information to the Director when he learned their identity. Siegel ranted that all of his money and his friends' money, everything he had, was tied up in the Flamingo Hotel, and the publicity given this venture by Winchell might prevent him from getting the licenses, hotel, liquor, gambling, et cetera.

ACTION BEING TAKEN:

Special Agent in Charge Newman has instructed that the recordings be brought from Las Vegas to Salt Lake City and an accurate transcript will be made of the conversations and will be submitted to the Bureau by Air Mail Special Delivery and Personal and Confidential.

Office Memorandum

UNITED STATES GOVERNMENT

TO: Mr. E. A. Tamm
FROM: A. Rosen
SUBJECT: BENJAMIN "BUGS" SIEGEL
Information Concerning

Telephone Call, 12-30

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/29/95 BY SP-7 MLC/DC

Special Agent in Charge J. D. Newman of the Salt Lake City Field Division advised that information previously reported concerning the telephone conversation between "Bugs" Siegel and [redacted] in which Winchell's letter [redacted] was discussed, was obtained from Salt Lake City [redacted] (telephone installation covering Siegel's suite at the West Frontier Hotel) and not from Salt Lake City [redacted] (one of the phones of the "Boiler Room" of the Las Vegas Club) as was originally reported.

Winchell states he has written no letter to [redacted] Siegel. He claims he did not answer [redacted] wire that Siegel has not communicated with him.

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51 AUG 9 1946

RECORDED

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62-81518-1

F B I

20 JUL 10 1946

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100
Federal Bureau of Investigation
United States Department of Justice
Los Angeles 14, California
July 23, 1946

Director, FBI

RECEIVED

RE: ALBA

Dear Sir:

Reference is made to my teletype dated July 15 last in which information was set forth that [redacted] would be contacted for information concerning [redacted]

As the Bureau already knows, [redacted] and a friend of [redacted] intend putting [redacted] out of the Las Vegas Hotel, and in which all three of them are interested. [redacted] has told the above informant that he intends to force [redacted] out and in the process to get a half million dollars, taking his home, his car and everything he has. [redacted] told the informant that [redacted] couldn't personally force this act on because of its attendant publicity, but that he, [redacted] intended going ahead with it.

[redacted] has told the informant that "a lot of revenue men have been around 'working the income tax' in connection with the Flamingo Hotel in Las Vegas."

It has been pointed out that [redacted] is a henchman and general messenger boy in the underworld, and [redacted] is listed upon in the underworld as a person with a very heavy [redacted] connection apparently makes him feared considerably. [redacted] informant stated that [redacted] instructed [redacted] to [redacted] out to dinner. [redacted] and [redacted] were working with [redacted] one [redacted]

attempted to get [redacted]

apparently did not care to go into it, but [redacted] est.



Director, FBI

July 22, 1946

Re: SATON

Informant stated that [redacted] collected some sort of a payoff from an individual named [redacted] who resides in Beverly Hills. [redacted] grew quite friendly toward [redacted] at the informant's presence on one occasion and reminded [redacted] that "this isn't child's play" in connection with a payoff which [redacted] allegedly was to [redacted] Later [redacted] told another person in the presence of the same informant that he had "three sizable payoff checks" and [redacted] he had to cash the checks the bank opened in the morning.

[redacted] has been friendly with [redacted]

[redacted] and [redacted] DE HART. Incidentally, along these lines [redacted] house was broken into recently and unknown individuals stole jewelry, money and binoculars. [redacted] told [redacted] that he would shoot the individuals responsible for this if he knew who they were, and [redacted] offered to attempt to find out.

On July 19, the informants stated that an individual named [redacted] teated [redacted] by telephone on a horse in the last race at [redacted] named Queen of May. This horse allegedly belonged to a party named JAY. [redacted] teated the horse to [redacted] [redacted] all of whom he advised to place a thousand to three thousand to win. [redacted] stated that the horse won the race.

The above information covers the period through July 22, and it is anticipated that the Bureau will be kept advised at least weekly concerning information these informants can develop, and oftener in the event it is deemed important.

R. E. Hood
R. E. HOOD
SAC

cc-100

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

DATE 1-14-81 BY SP-10/10/81

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. E. A. Tamm

DATE: July 23, 1946

FROM : R A. Rosen

SUBJECT: CAPCA

There are attached memoranda dated July 19 and 20, 1946, from the Chicago Division setting out developments in this case.

The memorandum of the 20th is devoted entirely to who it appears is actually

Chicago advises when [redacted] was interviewed by the Birmingham Office, he stated he had been offered \$20,000 to kill James Fagen and that this offer occurred fifty days before the actual shooting. Further, that [redacted] finally refused the offer ten days before the actual shooting.

The attached memorandum of July 19th sets forth that

The memorandum of the 19th also reflects that according to information developed in a technical surveillance on his residence, [redacted] has been in contact with [redacted] who is described as an influential Chicago political figure. [redacted] in turn, is said to be very close to [redacted] in Chicago. It also reports that [redacted] Illinois News Association is replacing the Midwest News Service as the principal retail distributor of racing news in the Chicago area for the Continental Press.

ACTION TO BE TAKEN

You will be advised of all pertinent developments.

Attachment

Office Memorandum

UNITED STATES GOVERNMENT

TO : THE DIRECTOR

DATE:

FROM :

Wm. A. [redacted] July 10, 1946

SUBJECT:

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/10/81 BY 81-10000000

In an effort to establish a Federal violation within the Bureau's jurisdiction on the part of Dugan Siegel, I believe it will be necessary to set up a special squad to handle this matter since otherwise he will just get involved in a rambling bifurcation of leads between Salt Lake, Los Angeles and probably Chicago, with entoreppings in Reno and Las Vegas. I think a special squad, probably out of Las Vegas, or out of Los Angeles if it appears desirable, will enable me within a period of 45 or 60 days to establish completely all possible evidence which might be used in prosecuting Siegel. With this in mind, it is recommended that Mr. James C. Ellsworth, Assistant Special Agent in Charge at Los Angeles, be designated in charge of this special assignment. Ellsworth knows the background of Siegel's connections in Los Angeles and is a good administrator and a good criminal investigator.

It is recommended that Special Agent A. E. Gethelthoff, presently Assistant Agent in Charge at Cincinnati, be designated to work on this case as part of the special squad, and that Special Agents [redacted] of the New York office be assigned to the squad. It is believed these four men, in addition to Agent [redacted] who is presently resident agent at Las Vegas and has the contacts [redacted] will constitute sufficient personnel to carry on this investigation.

If this squad is approved, I believe it would be well to let Ellsworth take Washington for a day-long conference to advise that he has advised to him what the Bureau expects of him, and it would be likely he will let him go about a day or so to Chicago upon his departure from Washington to take care that the work of his squad is carried out properly and that he is familiar with the work of the squad and parallel with other work.

Office Memorandum

UNITED STATES DEPARTMENT OF JUSTICE

TO : THE DIRECTOR

FROM : Mr. A. J. [redacted]

DATE:

July 13, 1945

SUBJECT:

INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

DATE 2/14/95 BY SP-9 [redacted]

Yesterday I talked to Mr. Reed about the problem involved in selecting a man to supervise a special assignment to establish a base against Bugs Siegel. Mr. Reed wanted to give the matter some thought.

Mr. Reed called early this afternoon and stated that he did not have anyone in his office that was sufficiently heavy to handle this assignment which he thought was a major operation. He stated he thought the case was too big for any Agent in his office to supervise and direct particularly in view of the ramifications in a number of the field divisions. He thought the work to be done on this assignment would require a minimum of 4 Agents to start in Los Angeles and several times this number in the course of a few weeks. I told Mr. Reed that the Bureau was very disappointed in this attitude since Mr. Reed had no suggestions the Bureau could not turn back and decide not to investigate this case. Mr. Reed was very sorry but there was no one in whom he had sufficient confidence to place the responsibility for directing this investigation since Mr. Ellsworth would not be available. In an hour or so later Mr. Reed called back and stated he wanted to change his mind and that he believed Special Agent [redacted] of his office would be capable of setting up and directing this assignment. [redacted] file is attached.

In attempting to select a suitable agent for this assignment, it appears that Assistant Special Agent in Charge Cuthbertson of [redacted] would be a very good man. He would be Special Agent [redacted] presently assigned to the Washington Field Office.

Mr. Tolson believes that it would be better from the point of administration to put Mr. Cuthbertson, who is an Assistant Special Agent in Charge, in the lead of this case rather than Agent [redacted] and a Subordinate Agent. We think also that [redacted] of Mr. Cuthbertson's report for [redacted] the investigation with [redacted] a [redacted] of the [redacted] case [redacted] in [redacted] of the [redacted] Assistant Special Agent in Charge Cuthbertson, [redacted] of the [redacted] Special Assignment to investigate [redacted] and [redacted] of the Los Angeles Office and Agent [redacted] of the Washington Office as assigned under Cuthbertson to [redacted] the investigation.

Office Memorandum • UNITED STATES GOVERNMENT

TO : R Mr. ROSEN

DATE: July 29, 1946

FROM

SUBJECT: CAPGA

The P and C letter from the Los Angeles Division dated July 23, 1946, in this case was referred to Mr. Tamm, who called same to the attention of the Director. It is noted that information was obtained from a tech to the effect that on July 19 an individual named telephonically touted in a horse in the last race at Empire named "Queen of May." This horse allegedly belongs to a party named Jake. touted the horse to Benny Siegel, and all of whom he advised to place \$1,000 to \$3,000 to win. The horse won.

OBSERVATION

Mr. Tamm advised that the Director was interested in ascertaining the identity and background of

ACTION TAKEN

Assistant SAC R. J. Lynch of the New York Division was telephonically furnished the above information and requested to advise the Bureau of any information concerning the identity and activities of

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32

62-81518-14

Memo for the Director

-2-

further proposed that the necessary Agents from the Los Angeles office be assigned to cover the Los Angeles leads under Ostholthoff's directions, such Agents to be men who are acceptable to Ostholthoff and who Mr. Hood believes have the proper background, etc. for the assignment. Special Agent [redacted] of Las Vegas should, of course, be detached from his regular resident agent's work and assigned to work full-time on this case under Ostholthoff's direction. Such other Agents can be added to the squad as appear necessary as the case develops. b7c

It is recommended that Assistant Special Agent in Charge Ostholthoff be brought to Washington for a one-day conference on this case and that he then proceed to Chicago for a conference with Mr. Connelley, after which he can proceed to Los Angeles and set up his squad.

9-16
7-16
OK.
H.

COPI

OFFICE MEMORANDUM - UNITED STATES GOVERNMENT

TO : MR. TAMM

DATE: July 24, 1946

FROM : A. ROSEN

SUBJECT: CAPGA

BENJAMIN "BUGS" SIEGEL

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/21/83 BY SP-7 mcd/b

The Los Angeles Office is being advised by a confidential source that a delivery letter is being mailed to the office of the District Attorney in Los Angeles. The information received from the source is that the letter is of great value in view of the fact that it further indicates that it was his opinion that

The Los Angeles Office has also advised that

confidentially reports that the Del Mar Race Track is actually owned by Benjamin "Bugs" Siegel.

That the attached letter to Los Angeles be dispatched.

Attachment

54 AUG 5 1946

34

COPY

b7c

OFFICE

UNITED STATES GOVERNMENT

TO : Mr. TALK

DATE: July 19, 1946

FROM : A. ROSEN

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 10/29/85 BY SP-7 M. J. [redacted]

SUBJECT: CARCA

[redacted]

b7c
b7D

[redacted] is an underworld character in Long Beach, California, and information in the Los Angeles Crime Survey reflects that he has connections with eastern hoodlums and has operated night clubs in the Long Beach area.

b7c

[redacted]

b7c
b7D

[redacted]

62-81073

The Chicago Division and the Los Angeles Division have been apprised of the foregoing information by the Salt Lake Division.

ACTION BEING TAKEN

The Salt Lake and Los Angeles Divisions are being requested by teletype to be on the alert to develop any information concerning the above mentioned transaction between SIEGEL [redacted]

b7c

RECOMMENDATION

That the attached teletype be dispatched.

b7c

[redacted]

SE 39

RECORDED
& INDEXED

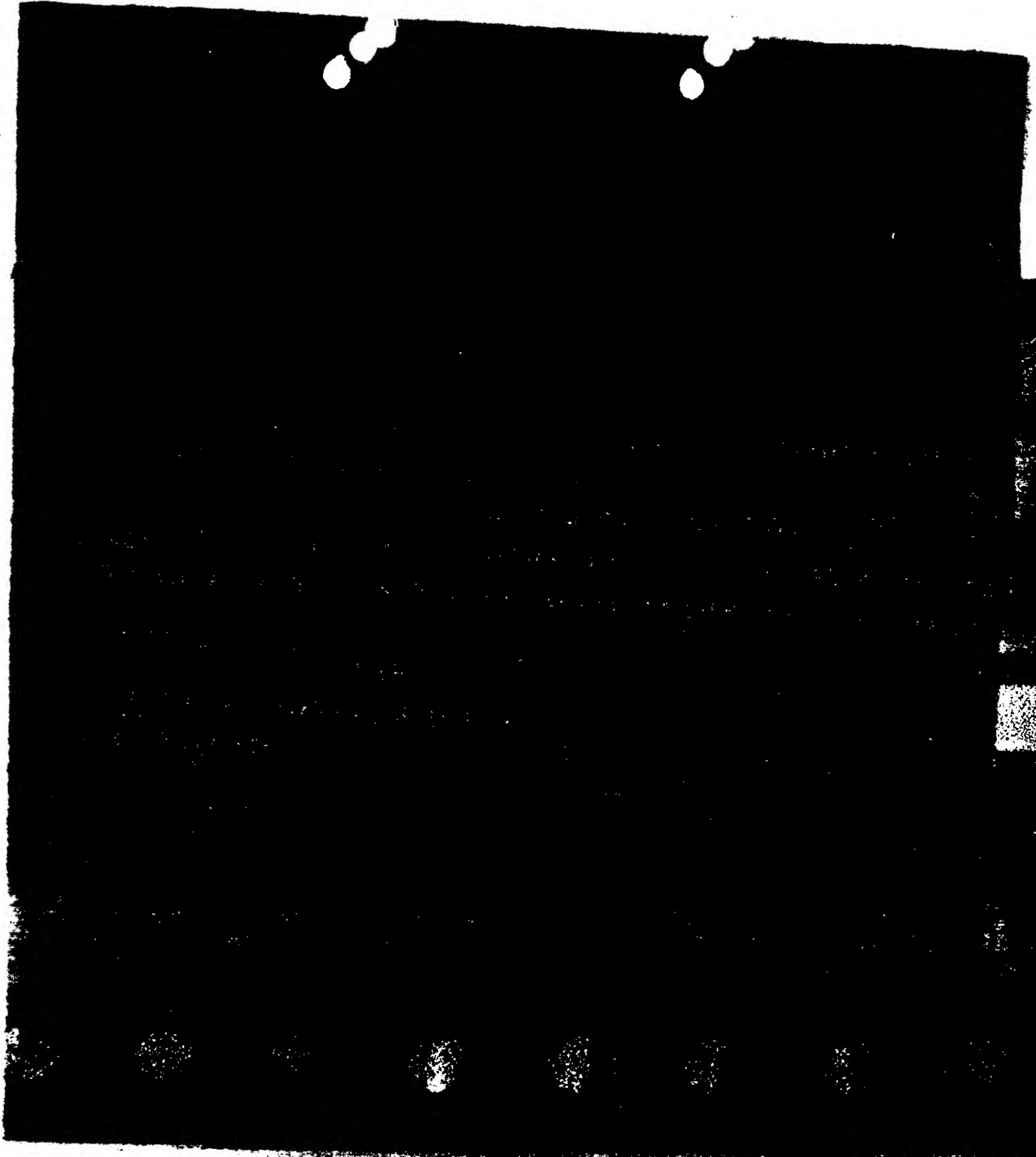
162-81518-19

EX-80

48 JUL 1946

b7c

36



Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI

DATE: July 22, 1946

FROM : SAC, Los Angeles

SUBJECT: REACTIVATION OF THE CAPONE GANG
 MISCELLANEOUS INFORMATION - CRIME SURVEY
 Bureau File No. 62-81903

Reference is made to a teletype from the Bureau, dated July 3, 1946, addressed to the Los Angeles, Chicago and Salt Lake City offices, wherein a request was made that the Los Angeles office make certain that the Bureau and Chicago are in possession of all pertinent data not previously forwarded concerning BENJAMIN "Rugsy" SIEGEL. This resume is taken from the Crime Survey Memorandums and other files in the Los Angeles office.

BENNY SIEGEL, his wife and family have resided in the Los Angeles area at different times since 1937 when he moved here from New York City. Shortly after his arrival in Los Angeles, he was arrested and charged with the murder of AL GREENBERG, a local character, who was prominent in the motion picture labor rackets. SIEGEL, were ultimately dismissed on these charges. The allegation has been made that SIEGEL was a direct associate of LOUIS LEFKE, New York mobster, who was recently electrocuted in New York State. Through his association with LEFKE, SIEGEL was identified with the notorious Murder, Incorporated which had received considerable publicity in the press.

SIEGEL has been having marital difficulties for some time and the thought of divorce was always distasteful to him because he did not want to injure the reputation of his two children. He has received considerable publicity in the Los Angeles press, particularly in connection with his arrest for bookmaking which is a felony in the State of California when he was picked up in company with GEORGE RAFT. SIEGEL each pled guilty and were fined \$250.00 each.

While he lived in Los Angeles he maintained a palatial residence at 250 North Delfern Drive in Holmby Hills.

Persons of the hoodlum element who are known to be friendly with SIEGEL are

both of whom are well known gamblers. In addition to these characters, he is well acquainted in the motion picture colony, frequents

*cc Lefke
SIEGEL*

L.A. 62-2321

Director, FBI

July 22, 1946

Re: BRACKETIZATION OF THE GAMING LAWS
MISCELLANEOUS INFORMATION - CRIME SURVEY

the Mocambo, prominent night spot, and his current mistress is VIRGINIA HILL, who has been the consort mistress of several hoodlums and night club figures.

is SIEGEL's lieutenant in this area and carries out the latter's orders and this office has determined that while is SIEGEL's errand boy because of this connection he is quite powerful in underworld circles.

Information has been developed indicating that SIEGEL operates as a front for Eastern hoodlum interests and that he himself has never been worth over one-quarter of a million dollars, but that his funds and backing come entirely from Chicago and New Jersey hoodlums.

SIEGEL is supposedly operating as a front for this group which is siphoning funds into the hotel business through Kirkeby Hotels which is the subject of an investigation in the Los Angeles Office, entitled "Reported Interest of Racketeers in the Purchase of Hotels."

Allegations have come from several sources to the effect that SIEGEL had acquired the Beverly-Wilshire Hotel in Beverly Hills which is affiliated with the Kirkeby chain. SIEGEL is supposed to be very friendly with FRANK COSTELLO and JOE ADONIS, prominent mobsters in New York City, and the allegation had been made that SIEGEL recently negotiated for the purchase of a large ranch in Mexico, acting in behalf of CHARLES "Lucky" LUCIANO. The exact location of this ranch is not known although informants state that it is near the California border, but not located in Tijuana. SIEGEL is supposed to have purchased this residence in January or February of this year while LUCIANO was still in Italy. It will be recalled that LUCKY had been deported; allegedly, LUCIANO has been seen in Los Angeles within the past ninety days, and the opinion has been expressed that LUCIANO would have little difficulty in running his former syndicate from Mexico using SIEGEL as his main connection.

SIEGEL currently spends a considerable portion of his time in Las Vegas where he has gambling interests and where he is currently building a large hotel in partnership with

Indications exist at present which point to the fact that some difficulty may come up and SIEGEL

L.A. 62-2821

Director, FBI

July 22, 1946

Re: REACTIVATION OF THE CAPONE GANG
MISCELLANEOUS INFORMATION - CRIME SURVEY

wherein the former will lose all his assets

SIEGEL is referred to by underworld informants of this office as the man in control of the Western States and he is referred to as a person who can put his friends in touch with the underworld boss of any city in the United States. He acquired his title of BUGSY because many of the associates in the old days considered him as "going bugs" when he got excited in that he acted in an irrational manner. There seems to be no doubt in the fact that he seems to be generally respected and feared by underworld characters because he is supposed to personally have killed at least thirty different individuals. Allegedly, SIEGEL is a pleasure smoker of opium, but he does not have the habit.

In connection with the case entitled "Reactivation of the Capone Gang" the reference has been made by informant that SIEGEL is instrumental in the attempt of the Chicago mob to take over the wire service currently operated by JAMES RAGEN. Approximately one and one-half years ago SIEGEL attempted to move in on the wire service in Los Angeles and at that time SIEGEL made the statement to several people that he would soon be operating the service.

Along these lines it follows that the MAFFIA, operating through its New York headquarters, where FRANK COSTELLO and JOE ADONIS, using SIEGEL as a front, have put themselves into the hotel business through SIEGEL and others under the trade name of the Kirkeby Hotels. Also, this same mob is attempting to take over the wire service and if they are successful in so doing will extort tribute from every bookmaker in the United States. It has been pointed out that the MAFFIA operates through "fronts" who are usually of Jewish or Irish extraction.

SIEGEL according to local informants was a power in New York gangland and considerable information concerning SIEGEL's past activities can undoubtedly be obtained by the New York office. He allegedly likes California and considers it his home and for that reason confines his activities to other parts of the country simply coming here to visit.

SIEGEL is registered at Local Draft Board #245 in Westwood Village, California. He originally registered for Selective Service while in the custody of law enforcement officers at the Los Angeles County Jail on a murder charge. His Order Number is 2427-A and at that time he resided at 250 North Delfern Drive, West Los Angeles. He was born February 28, 1906 at New York and married his wife, ESTHER, at 332 Rogers Avenue, Brooklyn, New York, on January 28, 1929.

L.A. 62-2821

July 22, 1946

Director, FBI

Re: REACTIVATION OF THE CAPORE GANG
MISCELLANEOUS INFORMATION - CRIME SURVEY

In addition he supports his father, MAX, age 66, and his mother, JEANNIE, age 65. He set out \$12,000 as the amount necessary to support his family with an income of \$50,000 a year from his occupation as betting commissioner and investment broker. He claims eight years grade school education and he gives the following relatives. Parents reside at 1719 - 67th St., Brooklyn, New York;

The Local Draft Board by letter, dated March 10, 1944, asked the State Director of Selective Service for the waiver of an age limit in order to request SIEGEL to report for induction, but by letter, dated March 15, 1944, State Director refused the waiver. There was a communication in the file from the legal firm of Pacht-Pelton-Warne & Black, signed by N. JOSEPH ROSS, dated September 8, 1941. Judge ISAAC PACT has been SIEGEL's attorney for some time and it is known that this firm has represented him as early as 1941.

The Del Mar Race Track near San Diego, California, has recently been acquired by interests allegedly representing SIEGEL.

has been in company with various hoodlums and gamblers in Los Angeles and does not bear a good reputation because of his association with certain underworld characters.

If as has been pointed out SIEGEL actually represents the mob attempting to take over the wire service, conclusion follows that the RAGEN interests will not be successful in obtaining racing information from the Del Mar track because SIEGEL will control this information for the benefit of the new service which has already rented its quarters in the Ferguson Building in Los Angeles.

The following information regarding BENJAMIN "Bugsy" SIEGEL was submitted by

L.A. 62-2821

Director, FBI

July 22, 1946

Re: REACTIVATION OF THE CAPONE GANG
MISCELLANEOUS INFORMATION - CRIME SURVEY

11

Following are additional excerpts from subject's record which are being set forth as being of possible interest in connection with any current investigation of him.

"On November 9, 1932, SIEGEL while attending a meeting of the organization in the Hard Tack Social Club at 547 Grand Avenue, New York City, suffered rather severe head injuries as the result of a bomb explosion. He and some other members of the mob were taken to a hospital for treatment. An Italian named FABRIZZO had lowered a bomb down the chimney, but failed to take into consideration that the chimney had a right-angle offset which caused the bomb to become stuck before reaching the proper elevation. FABRIZZO was shot and killed on 11/20/32 for this attempt on the lives of the mob. SIEGEL still has the scars on his head caused by the flying bricks. One of these scars, about 1 1/2 inches long on the upper side (left) of his head, is visible through his thinning hair.

"In 1933, SIEGEL was arrested when the New York Police conducted a raid on a suite of rooms in the Hotel Franconia. In this raid, he and eight other men were surprised during a 'conference' of the mob attended by 'LEPKE' BUCHALTER and his partner 'GARRAH' JAMES KHALIRO. This raid occurred two months before 'LEPKE' and 'GARRAH' formed their syndicate known as MURDER, INC.

"In 1939, while LEPKE BUCHALTER, was hiding to avoid arrest on a Federal indictment, SIEGEL met him and was informed by LEPKE that he, LEPKE, was being subjected to blackmail by 'BIG GREENIE' GREENBERG, a former henchman. GREENBERG was threatening to go to District Attorney Dewey's office. SIEGEL agreed that GREENBERG must be killed. SIEGEL then returned to Los Angeles and made plans for the killing of GREENBERG. Thereafter two guns were flown to Los Angeles by [redacted] and given to [redacted] was brought to Los Angeles by SIEGEL to do the actual killing. This murder was committed by SIEGEL, and [redacted] in Hollywood on the night of Nov. 22, 1939.

"In 1941, SIEGEL was arrested by the FBI on a charge of harboring LEPKE BUCHALTER, and after a hearing before the U. S. Commissioner, was released on bail of \$25,000. ABE RILPS, admitted killer of fourteen men, and member of MURDER, INC. testified against SIEGEL before the U. S.

L.A. 62-2821

Director, FBI

July 22, 1946

Re: REACTIVATION OF THE CAPONE GANG
MISCELLANEOUS INFORMATION - CRIME SURVEY

"Commissioner in Los Angeles on the harboring charge. RELES testified that some of the fourteen men he had killed had been killed upon orders of SIEGEL. In 1941, while the GREENBERG murder charge, as well as the Federal harboring charge, was pending against SIEGEL, ABE RELES fell from the fifth floor window of the Half Moon Hotel in Coney Island, New York, and was instantly killed. RELES' death ruined the murder case as well as the harboring charge against SIEGEL.

"GEORGE RAFT, the motion picture actor, and are close friends of SIEGEL. SIEGEL and were arrested in May, 1941, for bookmaking, and paid fines of \$250 each. RAFT was present at the time of the raid, but was not arrested.

"In December, 1945, the informant interviewed

He stated that SIEGEL, along with MOE SEDWAY and GUS GREENBAUM had bought out a large gambling hall about a year ago.

"Concerning SIEGEL, confided that his reputation of having unlimited funds is entirely false, and claimed that he is 'nearly on the rocks' and was forced to sell a large mansion in Holmby Hills. Litigation concerning this residence and its sale to LORETTA YOUNG has received publicity during the past year. This 35-room mansion is located at 250 Del Fern Avenue in Holmby Hills.

"Information was obtained by informant during contacts with various sources of information in Las Vegas. It is understood from proprietors of gambling establishments that the wire service used by bookmakers in Las Vegas is supplied through the organization controlled by SIEGEL. The price charged for this service is said to be so high that most of the proprietors of the gambling casinos in Las Vegas have found it unprofitable to operate,

L.A. 62-2821

Director, FBI

July 22, 1946

Re: REACTIVATION OF THE CAPOE GANG
MISCELLANEOUS INFORMATION - CRIME SURVEY

"and a large number of them have leased their bookmaking concession to the operators of the wire service, with the effect that SIEGEL's wire service controls all bookmaking in Las Vegas. It was also learned that the same situation prevails in Reno to a large extent.

"It was observed by investigators in the Palace Casino in Reno that the wire service from Bay Meadows which was operating at that time, March, 1946, was very prompt and accurate inasmuch as official notices were posted in the Palace five to six minutes after post time. Several sources of information in Reno stated that their service was good from Bay Meadows, but that they were not getting run-downs and descriptions. It was also noted by investigators that the Palace was getting instantaneous wire service from Oaklawn Park in Hot Springs, Arkansas, and from Tropical Park in Florida. Informants stated that the gambling houses had direct lines to these tracks and a running description of the races was given, together with results and prices. They also received service from the New York tracks, including Belmont. It was not known whether the eastern service is connected with SIEGEL.

"SIEGEL's description is as follows: 42 years, 5' 9", 157 pounds; dark brown hair; grey-green eyes; medium complexion; medium build; Jewish,

62-2821

cc: Chicago
Salt Lake City
San Diego
New York

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

SALT LAKE CITY, UTAH
July 25, 1946

DECLASSIFIED BY SP-7 mac/20
ON 11/23/85

Reference is made to the letterhead memorandum dated July 19, 1946, from the Salt Lake City office to the Bureau, and to the telephone conversation on July 19, 1946, between the Salt Lake City office and the Bureau.

The following information was obtained from the Salt Lake City office on July 19, 1946:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

51 AUG 5 1946

cc - Mr. Tamm
Rosen

b7c

S. A. TAMM

July 15, 1946

A. ROSEN

RECEIVED

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/28/95 BY SP-7 mac/23

Special Agent in Charge J. C. Newman at 6:30 PM today telephonically advised the following information:

b7D

Benjamin "Bugs" Siegel

- Mr. Tolson
- Mr. E. A. Tamm
- Mr. Clegg
- Mr. Glavin
- Mr. Ladd
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Carson
- Mr. Egan
- Mr. Gurnea
- Mr. Harbo
- Mr. Hendon
- Mr. Pennington
- Mr. Quinn Tamm
- Mr. Nease
- Miss Gandy

51 AUG 5 1946

62-81518-22

b7D

47

E. A. Tamm

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

ACTION TAKEN

Special Agent in Charge Newman is furnishing this information to the Los Angeles and Chicago Field Divisions, and will submit the information in more detail to the Bureau.

b7.

48

OFFICE MEMORANDUM - UNITED STATES GOVERNMENT

TO: E. A. TAMM

DATE: July 12, 1946

FROM: A. ROSEN

SUBJECT: CHARLES "LUCKY" LUCIANO
FACILE
REPORTED INTEREST OF RACKETEERS
IN PURCHASE OF HOTELS
MISCELLANEOUS INFORMATION CONCERNING

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 1/2/85 BY 62-100000

b7c

The Los Angeles Division advises that [REDACTED] confidential informant in their investigation concerning the reported interest of racketeers in the purchase of hotels, has been recontacted relative to information he furnished concerning the presence of Luciano in Mexico.

b7c

According to [REDACTED] Luciano allegedly purchased a ranch in Mexico in January or February 1946 at the price of \$100,000. [REDACTED] believes this ranch is located near the Mexican border in the vicinity of the California line, however, he does not know its exact location. He further states now that it is not located in Tia Juana. It is interesting to note that [REDACTED] informs that Luciano's ranch was purchased for him by Benjamin "Bugsy" Siegel while Luciano was still in Italy.

b7c

ACTION BEING TAKEN

The informant is attempting to develop further information along these lines and you will be advised promptly of any pertinent information developed.

The Los Angeles Division is being requested by teletype to follow this matter closely with [REDACTED] and further, to keep the Salt Lake City Division advised of all developments in view of that office's interest in the activities of "Bugsy" Siegel and his associates.

b7c

[REDACTED]

INITIALS OF ORIGIN b7c b7D
62-71518-0

RECORDED
EX-43
5 43 7-1-46

51 AUG 6 1946

49

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. E. A. Tamm

DATE: July 21, 1946

FROM : Mr. A. Rosen

Telephone Call: 12:30 p.m.
7-21-46SUBJECT: BENJAMIN "BUGS" SIEGEL
Information Concerning

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Mr. Beale
Miss Gandy

Special Agent in Charge J. C. Newman of the Salt Lake City Field Division advised that Agent [REDACTED] had obtained the following information [REDACTED] early this morning.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/23/95 BY SP-7/mc/182

RECORDED

62-81518-24

51 AUG 5 1946

b7c 50

[REDACTED]

Siegel's Association with [REDACTED]

Siegel [REDACTED]

[REDACTED] and Special Agent in Charge Hood of the Los Angeles Field Division are very close friends. Siegel stated that he can't understand why the Bureau is checking on him as he has not committed any violations in which the Bureau would be interested. He indicated to Siegel that if the Bureau investigates him they may dig up some income tax violation or other crime causing considerable trouble. b7C b7D

Siegel stated further that if the Bureau was investigating him, Special Agent in Charge Hood will probably mention it [REDACTED] and he Siegel, will learn [REDACTED] if such investigation is being made.

Opposition to Siegel

[REDACTED] was going to make an issue of Siegel's operations in Las Vegas and was going to force him out of the city. Siegel indicated that [REDACTED] had heard that he, Siegel, was going to support [REDACTED] opponent in the Senatorial race.

ACTION BEING TAKEN:

Special Agent in Charge Newman has telephonically advised Special Agent in Charge Hood of Siegel's claim of close friendship [REDACTED] and of his knowledge of Hood's contacts [REDACTED] so that Mr. Hood will have the benefit of this information. Special Agent in Charge Newman has been instructed not to furnish any other information or the information previously obtained concerning [REDACTED] to any other Field Division and to send same to the Bureau Personal and Confidential for appropriate action. b7C

801 Continental Bank Building
Salt Lake City, Utah
July 22, 1946.

DECLASSIFIED BY SP-7 Mac/AC
ON 10/24/95

Director - FBI

Attention: Mr. E.A. Tamm

PERSONAL & CONFIDENTIAL

Re: GAPCA
(Bureau File #62-81088)

Dear Sir:

This is in reference to my telephone conversation with [redacted] of the Bureau on July 20, and 21, 1946, regarding information obtained from [redacted] relating to the Director, Walter Winchell and Winchell's broadcast of July 14, 1946, in which mention was made that a prominent West Coast racketeer was attempting to "muscle" a prominent West Coast newspaper publisher out of his interest in a hotel.

b7c
b2
b7D

There are enclosed three self-explanatory transcripts relating to this matter.

At approximately 10 PM July 20, 1946, Special Agents

b7D

[redacted]

[redacted]

[redacted]

Original apparently
not recorded.
7-18-51
b7c

ENCLOSURE ATTACHED
ENCLOSURE
DETACHED & FILED
in CONF. FILES Room 7-113
(100-113)
-1-
13/58
Returned
7-9-53

AUG 13 1958

62-81518-24X
NOT RECORDED
119 AUG 13 1958

52

Director - FBI

Re: SAPSA

[REDACTED]

[REDACTED] b7d

[REDACTED]

[REDACTED]

The informant advised that Siegel cannot understand why the Bureau is so vitally interested in him now, as he had done nothing to violate a law within the Bureau's jurisdiction. Informant added that Siegel had stated that if the Bureau were checking on him they may dig up an "old skeleton", "Income Tax" information" or "most anything else"

and "turn it over to the proper authorities".

The informant further stated that Siegel had remarked that he and [REDACTED]

are very good friends. Further that SAC E.B. Hood of the Los Angeles office, [REDACTED] are very good friends. The informant stated that Siegel referred to SAC Hood as "Dick" Hood. [REDACTED]

Siegel had stated that if the FBI is interested in checking on him "Dick" would probably say something [REDACTED] and he, Siegel, could find out [REDACTED]

[REDACTED] is going to make an issue of Siegel's business connections in Las Vegas, and wants Siegel out of Las Vegas; that Siegel, without revealing the source of his information, had stated that he had heard that [REDACTED] had made the statement that Siegel was going to support [REDACTED] and that if "that is the type of element who is going to support [REDACTED] he is going to make an issue of it".

The information in this communication relating to the Director, Winchell, and the broadcast in question, will not be included in any communication from this office to other offices. In the event additional information along these lines is developed in connection with our informant coverage, the Bureau will be advised by telephone.

Very truly yours,

JAY C. NEWMAN,
Special Agent in Charge.

Encls. 3

JCH [REDACTED]

AIR MAIL - SPECIAL DELIVERY

b7c
b7D

b7c
b7D

02-81511-341

~~PERSONAL & CONFIDENTIAL~~

OBSCENE

DECLASSIFIED BY SP-7 mac/ps
ON 10/29/95

Re: SAPRA

Transcript of telephone conversation from BENJAMIN "BOSS"
SINGEL, Room 401 East Frontier Hotel, Las Vegas, Nevada, to MEYER
LANSKY, Telephone Bureau 7011, Los Angeles, California, which commenced
at 9:30 AM July 21, 1962. This information was furnished by [REDACTED]

SINGEL: Is that friend of ours still in there? The one we
went up to see together?

LANSKY: No.

SINGEL: No left?

LANSKY: Yeh.

SINGEL: Is he coming back?

LANSKY: No.

SINGEL: He won't be back at all?

LANSKY: No.

SINGEL: He said he was going to stay until Monday or Tuesday.

LANSKY: Let's see, let me get this straight.

SINGEL: No, not the fellow you went out to see, Meyer.

LANSKY: Yeh.

SINGEL: [REDACTED] (Note: It is believed this is [REDACTED]
of the Chicago Capone Syndicate).

LANSKY: Oh, that I don't know.

SINGEL: I think he is, he said he would be there until Tuesday,
you remember when we left him?

ENCLOSURE

62-81518-24X

b2
b7D

b7C

56

LARRY:

I didn't hear from him.

SINGEL:

If he's there, tell him that that letter that's coming from [redacted] and then I'll explain to you when I come in and tell him, the other fellow, nothing yet and when I come in I'll talk to him about it. He's leaving what, Tuesday?

LARRY:

I don't know.

SINGEL:

I think he's leaving Monday.

LARRY:

He said he didn't know yet.

SINGEL:

If he's not leaving till Tuesday let him tell you because I'll call you when I come in.

LARRY:

OK

SINGEL:

Tell him when they receive the letter it will be from [redacted] not from the other guy.

LARRY:

OK

SINGEL:

I'll be in tomorrow night. Oh, the guy called me up. I know I had something to tell you. Last night he read me a letter he just got from Winchell. He says in the longest way he never dreamt it was him or I. He said I want you to understand that the other fellow is even a better friend than you are. I'd have never done that in a million years. The man who I thought it was [redacted]

[redacted] He said I want right back to my man that gave it to me, and then it tells him it's Mr. Hoover, you understand? And howled the by-Jones out of him. He says I want you to tell my mutual friend that when I come out I will explain the whole thing, you couldn't give me a million dollars to do that. He said I would never do that because he went on to tell him how it might have hurt us up here. But I found out it's still him. So I'll tell you when I see you.

LARRY:

OK

End.

(The information contained in this transcript was obtained by Special Agent [redacted])

PERSONAL & CONFIDENTIAL

OBSCENE

DECLASSIFIED BY SP-7 MAC/1003
ON 12/28/83

SAFSA

Transcript of telephone conversation from [redacted] to BENJAMIN "BOSS"
SIEGEL, Room 401 Last Frontier Hotel, Las Vegas, Nevada, which
commenced at 7:15 PM and ended at 7:20 PM July 20, 1946, as furnished
by [redacted]

b2
b7D

[redacted]
SIEGEL: Yeh.

[redacted]
SIEGEL: Yeh, [redacted]

[redacted]
SIEGEL: Yeh.

[redacted]
SIEGEL: Yeh.

[redacted]
SIEGEL: Hoover, you mean?

[redacted]
SIEGEL: Yeh, cause I had somebody call him today; Say, God, I
said the son of a bitch say we blowed our license here
they wouldn't give us any license. He said God what a
mistake I made. I don't know what the hell I -- Said
I never dawned -- he said the same thing -- it never
dawned that it was anything with us. But he got it from

ENCLOSURE

62-81518-24X

58

Hoover, right?

[REDACTED]
SINGEL: Uh.

[REDACTED]
SINGEL: He thought it was [REDACTED] at [REDACTED] b7c

[REDACTED]
SINGEL: Um, ah, he sent --

[REDACTED]
SINGEL: He sent you a letter to that, huh?

[REDACTED]
SINGEL: Oh, to hell with it. We'll read it.

[REDACTED]
SINGEL: Uh, I was out there all day today; they've gone, Jesus, they've really gone now.

[REDACTED]
SINGEL: Uh, they've got that - pretty well -- that front building -- plastered up already.

(The remainder of the conversation related to construction work on the Flamingo Hotel).

(The information contained in this transcript was obtained by Special Agent [REDACTED] b7c

~~PERSONAL & CONFIDENTIAL~~

OBSCENE

DECLASSIFIED

ON

sl. 7 mar/83
10/29/85

Re: SARSA

Transcript of conversation between BENJAMIN "BOGS"
SINGEL and VIRGINIA HILL, which occurred in Room 401, Last
Frontier Hotel, Las Vegas, Nevada, commencing at 8:20 PM July
20, 1948, immediately following SINGEL's telephone conversation
with [REDACTED] This information was furnished
by [REDACTED]

SINGEL:

We'll make him bring Hoover in front of me and let
that cock-sucker tell me where he got it from. Humbert
to Christ, I said tell that dirty son of a bitch --
you may say they don't give me a license here and we
go in and spend three million dollars, every nickel
we possess. He thinks it's Meyer and I in there. So,
oh yes, I told him I said -- I said -- a. He said
Jesus Christ when I started it I thought it was [REDACTED]

[REDACTED] just called me, Jesus Christ, I got
a letter from Winchell he said, I want you to see it
when you come in. Winchell apologized forty times,
said I would never do a thing like that. He said all
right, [REDACTED] you're a friend of mine but those two other
fellows are dearer friends to me in there, he said, and
one especially is a very dear friend of mine, wouldn't
do a thing in the world to hurt him, said I want you to
see the letter when you get back. Jesus Christ; -- but
I know it all instigated from him see. He just have
given it to that guy to give it to Hoover, see. He
called and said I got the letter just now. -- You
should see the front of it -- right there in front of
the what do you call it -- the Senator -- that contract
we signed. Yeah, but Winchell's liable to coop. I'll
knock his fucking eyes out -- just like this -- you God
Damned right. [REDACTED] or call me up and tell me.
But now he's gone and got this God Damned letter a block
long from Winchell.

HILL:

That means you won't get a license?

SINGEL:

What?

ENCLOSURE

62-81518-24X

60

HILL:

What kind of a license, honey?

SINGEL:

Say I came in after it and through him or something they refuse to give me a gambling license, what am I gonna do with the hotel, stick it up my ass?

Well, why don't you get them. Then once you get them - - -

SINGEL:

Well, they can always revoke them. - - - I can get them, never mind about that, say whatever they want. If there is no connections in this town to get these things they can put you out of business, honey. Why do you think I feel around with these politicians. What do you think I work so much time with (say be [redacted] Give them money and this and that. Although it is a legitimate business but still, you know, those bastards when you have to have a license (inaudible) - - -

b7c

End - At this point a child came into the room and the above conversation terminated.

(The information contained in this transcript was obtained by Special Agent [redacted])

b7c

61

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUL 24 1946
Om
TELETYPE

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/25/85 BY SP-7 mac/bs

- Mr. Tolson
- Mr. E. A. Tamm
- Mr. Clegg
- Mr. Glavin
- Mr. Ladd
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Carson
- Mr. Egan
- Mr. Gurnea
- Mr. Harbo
- Mr. Hendon
- Mr. Pennington
- Mr. Quinn Tamm
- Mr. Nease
- Gandy

FBI SALT LAKE CITY

7-24-46

5-20 PM

DIRECTOR - ATTENTION MR. ROSEN

URGENT

PROCEEDING LOS ANGELES VIA UNION PACIFIC RR, TRANSCONTINENTAL LIMITED
LOWER ONE. CAR PA FIVE NINE, ARRIVING LOS ANGELES TEN FORTY FIVE AM,
JULY TWENTYFIVE.

END

7-22 PM OK FBI WASH DC CAR

OSTHOLTHOFF

RECORDED

162-81518-25

FBI
29 AUG 1 1946

51 AUG 5 1946

cc: Movement

UNRECORDED COPY FILED IN

Federal Bureau of Investigation
United States Department of Justice

Washington, D.C.
July 22, 1948

Director, FBI

Mr. [REDACTED]

ATTENTION: [REDACTED] Director A. [REDACTED]

Re: REDACTED
(Bureau File 62-81518)

Dear Sir:

Re: REDACTED

Furnished the following information to Special Agents of this office the evening of July 20, 1948:

62-81518-26

XXXXXX
XXXXXX
XXXXXXFEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET3

Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- ☒ Deleted under exemption(s) b7D with no segregable material available for release to you.
- ☐ Information pertained only to a third party with no reference to you or the subject of your request.
- ☐ Information pertained only to a third party. Your name is listed in the title only.
- ☐ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

Page(s) withheld for the following reason(s):

☐ For your information: _____

☒ The following number is to be used for reference regarding these pages:

62-81518-26 pgs 2 to 4

XXXXXX
XXXXXX
XXXXXX
 XXXXXXXXXXXXXXXXXXXX
 X DELETED PAGE(S) X
 X NO DUPLICATION FEE X
 X FOR THIS PAGE X
 XXXXXXXXXXXXXXXXXXXX

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. E. A. TAMM
FROM : R.A. ROSEN
SUBJECT: CAPCA
BENJAMIN "BUGS" SIEGEL

DATE: July 26, 1946

The attached letter from the Salt Lake City Division dated July 22, 1946, confirms information previously developed indicating that the Trans-America News Service and Publishing Company, Inc. will serve as the competing organization to the Continental Press in the dissemination of racing news throughout the country.

The letter further points out that Siegel wishes to sever all connections with the Ragen organization in Las Vegas

Attachment

62-81518-26

65

Office Memorandum • UNITED STATES GOVERNMENT

TO : E. A. TAMM

DATE: July 19, 1946

FROM : R. A. ROSEN

SUBJECT: CAPGA

Mr. Tolson	
Mr. E. A. Tamm	
Mr. Clegg	
Mr. Coffey	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Carson	
Mr. Egan	
Mr. Gurnea	
Mr. Hendon	
Mr. Pennington	
Mr. Quinn Tamm	
Tele. Room	
Mr. Nease	
Miss Gandy	

has advised that Benjamin "Bugs" Siegel has just about run out of "show money" and that in order to put additional money into the construction of the Flamingo Hotel at Las Vegas

ACTION BEING TAKEN

The Los Angeles and New York Field Divisions have been apprised of the foregoing information, and they are being requested to remain on the alert for the development of any information which might tend to uncover the location of

RECOMMENDATION

That the attached wire be dispatched.

Attachment

7-23-46

RECEIVED

1962

1962

1962

1962

SU 62-1123

Re: CAPGA

Re: ADDITIONAL INFORMATION REGARDING

Reference is made to the personal and confidential letter from the Salt Lake City Field Division to the Bureau under date of June 22, 1946 entitled "VICE CONDITIONS, Las Vegas, Nevada; RESEARCH MATTER" to which was attached a memorandum submitted by Special Agent bearing the same date. Reference to noted on pages 3, 4, and 5 of memorandum. Additional information concerning is also outlined on pages 4 and 5 of my personal and confidential letter to the Bureau under date of June 15, 1946 bearing the same title.

SU 62-1123

Re: CA-61

Re:

The informant stated that SIEGAL has just about run out of "show money" and that in putting additional money into the construction of the Flamingo Hotel he will have to

Very truly yours,

Jay C. Newman
JAY C. NEWMAN

Special Agent in Charge

JCN

62-1123

cc: 94-142

cc: Assistant Director E. J. CONNELLY, Chicago

Los Angeles

New York

ALL AMSD

BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUL 19 1946

TELETYPE

RECORDED

62-81518-28

NEW YORK 6 FROM WASHING DC.....7-19-46.....5-08 PM.... HMH

SAC..... SALT LAKE CITY

U R G E N T ... U R G E N T

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/29/85 BY SP-7 mac/lor

CAPCA. RE SALT LAKE LETTER JULY FIFTEEN, FORTYSIX, AND REFERENCE
THEREIN PAGE THREE TO THE EFFECT THAT [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED] IT IS SUGGESTED THAT YOU

BE ALERT FOR ANY INFORMATION WHICH MIGHT TEND TO [REDACTED]
[REDACTED]

HOOVER

SALT LAKE CITY AND LOS ANGELES ADVISED SEPARATELY.

END

WA R 6 NY

COMM STAMP
JULY 19 1946
ORIGINAL

51 AUG 9 1946

July 19, 1946

PERSONAL ATTENTION

Mr. J. E. Neenan
Federal Bureau of Investigation
United States Department of Justice
301 Continental Bank Building
Salt Lake City 1, Utah

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/28/85 BY SP-7 mac/pt

RE: **MELVIN "BOSS" SIEGEL**
MISCELLANEOUS INFORMATION -
CRIME SURVEY

Dear Sir:

In the course of the investigation of the reactivation of the Capone gang, it has been ascertained that the activities of the above-captioned subject are so widespread that they will require distinct investigation by a special squad.

I have designated Mr. A. E. Gorthelthoff to supervise the special squad handling this matter. Mr. Gorthelthoff will make his headquarters in the Los Angeles Field Division.

The field divisions receiving copies of this letter are instructed immediately to make available to Mr. Gorthelthoff any clerical or Agent personnel required.

While this investigation is being handled separate and apart from the Capone investigation, it appears it will overlap with the Capone case. You are instructed to furnish to Mr. Connelley at Chicago any information of value to the Capone case which you might develop during the course of this investigation, and in turn any information of interest to the Siegel case, which is developed during the investigation of the Capone case, should be furnished to Mr. Gorthelthoff at Los Angeles. In case of doubt, the information should be furnished both to Mr. Connelley and Mr. Gorthelthoff.

Mr. Gorthelthoff will arrive in Salt Lake City on July 23rd. You should arrange to personally discuss with him developments to date in this case in the Salt Lake City Field Division. You should also arrange to have Special Agent [redacted] present for this discussion. At the same time, Special Agent [redacted] should be relieved of his other duties and be prepared to leave with Mr. Gorthelthoff for Los Angeles on special assignment.

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

COMMUNICATIONS SECTION

RECORDED

MAILED 8 1946

EX-64

30 JUL 31 1946

JUL 16 1946 P.1

U.S. DEPARTMENT OF JUSTICE

62-81578-29
FBI

30 JUL 31 1946

b7c

71

Mr. J. C. Hansen

I cannot emphasize too strongly the importance of this case and all Special Agents in Charge receiving copies of this letter are to afford Mr. Rothelshoff every assistance.

Very truly yours,

John Edgar Hoover
Director

AIR MAIL
SPECIAL DELIVERY

- cc - Assistant Director E. J. Connelley, (PERSONAL ATTENTION) AIR MAIL - SPECIAL DELIVERY
Chicago
- cc - SAC, Chicago (PERSONAL ATTENTION) AIR MAIL - SPECIAL DELIVERY
- cc - SAC, Phoenix (PERSONAL ATTENTION) AIR MAIL - SPECIAL DELIVERY
- cc - SAC, Los Angeles (PERSONAL ATTENTION) AIR MAIL - SPECIAL DELIVERY

OFFICE OF THE ATTORNEY GENERAL UNITED STATES GOVERNMENT

FROM: J. ROSEN

Date: 8/1/66

Call 12 noon

SUBJECT: BENJAMIN "BOBBY" SIEGEL
MISCELLANEOUS - INFORMATION CONCERNING

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Coffey
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

Mr. Ortholhoff, Los Angeles Division, advised that [REDACTED]
[REDACTED]
Mr. Ortholhoff believes that Siegel is a little worried and is merely guessing as to the wires being tapped. At the present time the Bureau has technical surveillances on the telephones of [REDACTED] but there is none on the telephone of [REDACTED]

Mr. Ortholhoff said that at the present time three Agents are assigned exclusively to this investigation in the Salt Lake City office and additional Agents are made available from time to time as the need arises. In the Los Angeles Division, three Agents are specially assigned to the case and Monday, August 5, 1946, an additional man will be specially assigned from the Los Angeles Division. He states that at the present time sufficient personnel have been made available for the operation of the special.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/20/85 BY SP-7 mac/120

RECORDED
INDEXED

62-81518-30
F
19 AUG 16

15 1946

copy

b7c

OFFICE MEMORANDUM - UNITED STATES GOVERNMENT

TO : Director, FBI
FROM : SAC, Los Angeles

DATE: July 25, 1946

SUBJECT: CAPCA
INFORMATION CONCERNING

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/23/85 BY 61-7mad/85

[REDACTED] in discussing the local wire service situation stated that the Los Angeles Branch of the RAGEN syndicate operates two scratch sheets, "The Metropolitan", which sells for 25¢ and the "Reporter", which sells for 15¢. The [REDACTED] interests which, of course, represent the facing form have on the news stands here and in San Francisco the "National Scratch Sheet", which has just been reduced in price from 15¢ to 10¢. This action took place on July 17, 1946 and [REDACTED]

[REDACTED] Informant looks for the RAGEN interests to drop the "Reporter" to 10¢, continue the "Metropolitan" at 15¢, and bring out a new sheet at 20¢.

[REDACTED] states that about one and one-half years ago BENJAMIN "Bugsy" SIEGEL made the statement to certain individuals whose identity the informant does not remember to the effect that he, BENNY, would be in the news business six months after the war was over and that [REDACTED]

It has been anticipated that the new syndicate being set up in competition to the RAGEN interests might precipitate a rate war and it could be that this is the opening gun in this campaign. However, the new syndicate which as has been pointed out has already rented office space in the Ferguson Building in Los Angeles intends putting out a scratch sheet of its own and has been looking around town for an individual to edit this.

[REDACTED] pointed out that if this is true the [REDACTED] interests are not necessarily tied in with the new syndicate, but as has been pointed out previously the new syndicate is attempting to get a direct wire from Chicago through Kansas City into Los Angeles. [REDACTED]

No threats have come to the attention of this office as yet and the RAGEN interests seem to be working along in an undisturbed manner except for the price cut in the scratch sheet referred to above.

RECORDED

62-71517-31
F B I

EX-42

43

52 AUG 12 1946

INITIALS OF ORIGINAL

COPY [REDACTED] b7c

L.A. 62-2821

Director, FBI

July 25, 1946

Re: CAPGA

In accord with Bureau teletype this office contacted [REDACTED]

[REDACTED] b7c

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The informant is of the opinion that [REDACTED] might be inclined to attempt to ace himself into the wire service now that the RACEN service is in difficulty. [REDACTED] has not been in this area for some time, but the informant pointed out that this was purely a personal opinion and he qualified it by saying that he personally has a very low regard [REDACTED] and his character.

cc: Chicago
Salt Lake City
Phoenix

[REDACTED] b7c
62-2821

79

Office Memorandum • UNITED STATES GOVERNMENT

TO : E. A. TAMM

FROM : A. ROSEN

SUBJECT: BENJAMIN "BUGS" SIEGEL
CAPGA

DATE: July 31, 1946

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/28/95 BY SP-7 mac/DB

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Coffey
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Beahm
Miss Gandy

[REDACTED] has advised that about a year and a half ago Benjamin "Bugs" Siegel made a statement to individuals [REDACTED] he does not recall, to the effect that he, Siegel, would be in the racing news business six months after the war was over and that [REDACTED]

In discussing further the local racing wire situation, [REDACTED] pointed out that the Los Angeles branch of the Ragen group operates two scratch sheets, namely, "The Metropolitan" which sells for 25¢ and the "Reporter" which sells for 15¢. He also mentioned that the [REDACTED] interests publish in Los Angeles and San Francisco the "National Scratch Sheet" which recently reduced its price from 15¢ to 10¢. This reduction took place on July 17, 1946.

The Los Angeles Division further advises that the representatives of the Capone Syndicate who have opened offices in the Ferguson Building in Los Angeles also intend to put out a scratch sheet of their own and have been looking around to locate an editor. [REDACTED] pointed out that if the latter report is true, it would appear that the [REDACTED] interests are not necessarily tied in with the new racing wire group.

[REDACTED] He furnished no more detailed information, and the Chicago Division is being requested to check out this information.

RECOMMENDATION

That the attached letter to Chicago be dispatched 8/1/46

Attachment
[REDACTED]

RECORDED

162-81518-32

F B I

EX-6

b7c

76

cc - J. Tamm
Mr. Rosen

b7c

Assistant Director E. J. Connelley, Chicago
Director, FBI

August 1, 1946

RECORDED

62-81517-32

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 1/25/85 BY SP-7 mac/100

EX-42

Reference is made to the letter from the Los Angeles Division to the Bureau dated July 25, 1946, a copy of which was made available to the Chicago Office.

The Bureau would like to receive at an early date the results of your inquiry conducted on the basis of information set forth in the first two paragraphs of page two of referenced letter.

The Bureau also desires to receive any information available relative to the [redacted] also described therein, and any information of value which might be obtained from [redacted]

cc - Los Angeles

- Mr. Tolson
- Mr. E. A. Tamm
- Mr. Clegg
- Mr. Glavin
- Mr. Ladd
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Carson
- Mr. Egan
- Mr. Gurnea
- Mr. Hendon
- Mr. Pennington
- Mr. Quinn Tamm
- Mr. Nease
- Miss Gandy

COMMUNICATIONS SECTION
MAILED
AUG 1 1946 PM
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

52 AUG 12 1946

b2

COPY

b2

F. B. I. TELETYPE

[REDACTED]

~~CONFIDENTIAL~~
b1

~~CONFIDENTIAL~~

WASHINGTON

FROM LOS ANGELES

5:16 PM

DIRECTOR

URGENT

CAPCA

RE BUTEL DATED [REDACTED]

(c) AND BUTEL DATED [REDACTED]

STATE THAT [REDACTED]
IN L. A. CAPCA REPORT, DATED [REDACTED]

(c) (PHONETIC) REFERRED TO [REDACTED]

(c)

b1

b7D

HOOD

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

RECEIVED: [REDACTED]

8:37 PM EST

HW

(c)

b1

Buyer's Sign

CLASSIFIED BY: [REDACTED]
DECLASSIFY ON: [REDACTED]

DADR

7/28/93

RECORDED

62-81518-33

INITIALS ON ORIGINAL

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

78

COPY

b7c

~~CONFIDENTIAL~~

July 29, 1946

~~RECORDED~~

62-81518-33
SAC, Los Angeles
Director, FBI

CAPCA

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE BY
DATE (c)

7/10
Reference is made to the teletype of [redacted] from the Los Angeles Division to the Bureau which is quoted below for the benefit of the Chicago office:

"Re Rutel dated [redacted] (c) and airtel dated [redacted] (c) state that [redacted] (phonetic) referred to in L. A. Capca Report, dated [redacted] (c)

The Los Angeles Division should fully advise the Chicago Division regarding this matter as well as any other matter of importance arising in connection with the captioned case in accordance with previous Bureau instructions.

cc Chicago (AMSD)

CLASSIFIED BY: 50 *mac/bs*
DECLASSIFY ON: OADR
10/29/85

COMMUNICATIONS SECTION
JUL 29, 1946

COMM STAMP
7/29/46

~~47~~
IB I

~~CONFIDENTIAL~~

58 AUG 20 1946

79

for release 190-2319-248
CLASSIFIED BY: SP-7 mac/ab
DECLASSIFY ON: OADR
10-31-85

~~CONFIDENTIAL~~

CCW

b7c

BENJAMIN BUGS SIEGEL

[REDACTED]

b1

REFERENCE ACTIVATION CAPONE GANG, MISCELLANEOUS INFORMATION, CRIME
SURVEY, REFERENCE YOUR CABLE DATED [REDACTED] EAST AND CABLE DATED [REDACTED]
ENTITLED CHARLES QUOTE LUCKY UNQUOTE LUCIANO, INVESTIGATION

[REDACTED]

b7c
b7d

RECEIVED

7:32 PM EST

RECORDED

MD

INDEXED

62-81518-34

CLASS. BY

DATE

BY

[REDACTED]

b1

~~CONFIDENTIAL~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

RECORDED COPIES FILED IN 2

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. E. A. Tamm

DATE: August 6, 1946

FROM : A. ROSEN *7/3/60*SUBJECT: BENJAMIN "BUGS" SIEGEL
MISCELLANEOUS INFORMATION - CRIME SURVEY
CHARLES "LUCKY" LUCIANO
PAROLE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Coffey
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Pennington
Mr. Quinn Tamm

ACTION BEING TAKEN

The Los Angeles Division, by the attached teletype, is being requested to take appropriate steps for [REDACTED]

[REDACTED] Los Angeles is also being requested by this teletype to submit a memorandum setting forth all available information about Siegel's relations with [REDACTED]

The Identification Division is at present attempting to effect a possible identification of [REDACTED]

Attachment [REDACTED]

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/1/83 BY SP9 BJK/ld
10/28/95 SP-7 MAC/DB

RECORDED & INDEXED 19 AUG 7 1946

RECORDED COPY FILED IN 62-81093-29
b7c
b7D
851

b7c

MEMO FOR MR. TAMM

[REDACTED] b7c
[REDACTED] b7c

Salt Lake is being requested by teletype to furnish the Los Angeles Division with all information relative to the [REDACTED] matter. b7c

The New York Division is being advised of Luciano's whereabouts by copy of the attached teletype.

RECOMMENDATION

That the attached teletype be dispatched.

81

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

~~CONFIDENTIAL~~

AUGUST 4, 1946

~~SECRET~~

RECORDED: COMMUNICATIONS SECTION

FROM LOS ANGELES AND SAN FRANCISCO

Transmit the following message to:

REURTEL AUGUST FOUR LAST, CHARLES QUINN

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/14/82 BY SP-5 JLD

[REDACTED]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

b7c
b7D

- Mr. Tolson
- Mr. E. A. Tamm
- Mr. Clegg
- Mr. Coffey
- Mr. Glavin
- Mr. Ladd
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Carson
- Mr. Egan
- Mr. Hendon
- Mr. Pennington
- Mr. Quinn Tamm
- Mr. Nease
- Miss Gandy

U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

AUG 6 1946

AUG 15 1946 TELETYPE

SENT VIA

~~CONFIDENTIAL~~

CLASSIFIED BY SP-5 JLD
DATE 11/14/82

Per

83

NO NO

LOS ANGELES REQUESTED TO SUBMIT MEMORANDUM
SETTING FORTH ALL AVAILABLE INFORMATION CONCERNING SINGEL'S RELATIONSHIP WITH

~~CONFIDENTIAL~~

11-11-11

846

CH

84

PAGE THREE

~~CONFIDENTIAL~~

b7c
b7D

ADDITIONAL INFORMATION REQUESTED WILL BE CALLED TO THE ATTENTION OF
INTERESTED OFFICERS. *CA*

DOVER

b7c

cc - New York (regular mail)

FEDERAL BUREAU OF INVESTIGATION
U S DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

AUG 6 1946

TELETYPE

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

846/P

47

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. ROSEN *R* *b7c*

DATE: August 8, 1946

FROM : [REDACTED] *EW*SUBJECT: BENJAMIN SIEGEL,
MISCELLANEOUS INFORMATION CONCERNING

Call Received: 11:50A.M.

Mr. Tolson	_____
Mr. E. A. Tamm	_____
Mr. Clegg	_____
Mr. Coffey	_____
Mr. Glavin	_____
Mr. Ladd	_____
Mr. Nichols	_____
Mr. Rosen	_____
Mr. Tracy	_____
Mr. Carson	_____
Mr. Egan	_____
Mr. Gurnea	_____
Mr. Hendon	_____
Mr. Pennington	_____
Mr. Quinn Tamm	_____
Tele. Room	_____
Mr. Nease	_____
Miss Gandy	_____

On August 8, 1946, Supervisor A. E. Ostholthoff of the Los Angeles Division advised that the Los Angeles Office has just received information to the effect that a "stop order" has been issued against Siegel and his associates in connection with the construction of the Flamingo Hotel at Las Vegas, Nevada by the Civilian Production Administration, dated August 7, 1946.

Mr. Ostholthoff stated that he wished to advise the Bureau of the issuance of this order if it were not already known and also wished to be informed whether it would have any effect upon the instructions which he received from the Bureau yesterday, August 7, 1946, which authorized the initiation of immediate and appropriate investigation into all aspects of reported irregularities dealing with the construction of the Flamingo Hotel at Las Vegas, Nevada. *b7c*

Mr. Ostholthoff further advised that the original information received by the Los Angeles Division concerning bribery allegations involving [REDACTED] and Senator McCarran were furnished by [REDACTED] of Los Angeles, California. He said [REDACTED] apparently received his information from an individual by the name [REDACTED] who was described as the head of the Investigative Division of the Civilian Production Administration in Los Angeles. *b7c*

It is also of interest to note that on August 5, 1946, the Clark County Commissioners at Las Vegas, Nevada temporarily denied the application of Siegel and his associates for a gambling and liquor license at the Flamingo Hotel. As a result of this denial, it was determined that Siegel, accompanied by [REDACTED] one of the principal investors in the Flamingo Hotel, had decided to appear personally before the County Commissioners at Las Vegas with regard to the denial of the same. Informants in Los Angeles and Las Vegas have advised, however, that this is only a temporary denial and that these licenses will be granted to Siegel and his associates at a later date. *b7c*

ACTION TAKEN

Mr. Ostholthoff was requested to proceed with the investigation authorized by the Bureau on August 7, 1946, and in full compliance with existing instructions and was also informed that in the event any pertinent information concerning the issuance of the "stop order" by the Civilian Production Administration in Washington was developed that the same would be furnished to him. It was again suggested that the inquiry concerning Senator McCarran be handled in a most discreet manner.

37 AUG 15 1946

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 1/24/85 BY SP-7/maz/102

RECORDED
&
INDEXED

162 - 81518 - 36
F B I

37 AUG 9 1946

86

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

AUG 8 1946

TELETYPE

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/24/95 BY SP-7 mnt/bs

Mr. Tolson.....
Mr. E. A. Tamm.....
Mr. Clegg.....
Mr. Glavin.....
Mr. Ladd.....
Mr. Nichols.....
Mr. Rosen.....
Mr. Tracy.....
Mr. Carson.....
Mr. Egan.....
Mr. Gurnea.....
Mr. Harbo.....
Mr. Hendon.....
Mr. Pennington.....
Mr. Quinn Tamm.....
Mr. Nease.....
Miss Gandy.....

WASH FROM LOSA3 6 1-30 PM

DIRECTOR ATTENTION: ASST. DIRECTOR ROSEN URGENT
BENJAMIN "BUGS" SIEGEL, MISC., INFO CONCERNING, CRIME SURVEY,
BUREAU AUTHORITY REQUESTED TO INSTITUTE SIXTY DAY MAIL COVER
ON VIRGINIA HILL, ONE ONE NAUGHT NAUGHT EIGHT WILSHIRE
BLVD., LA, [REDACTED]

[REDACTED] LATTER ADDRESS WILL COVER
MOST MAIL ADDRESSED TO BENJAMIN SIEGEL, SINCE INFORMANTS IN-
DICATE HE RECEIVES HIS MAIL AT LATTER ADDRESS AUG 9 1946

T. Tamm
8-8-46

EX-11
RECEIVED-ROSEN

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

62-81518-37

To: COMMUNICATIONS SECTION

URGENT

cc Mr. Rosen

(2)

RECORDED

Transmit the following message SAC, LOS ANGELES ATTN. MR. A. E. GUSTAFSON

BENJAMIN QUOTE RICH QUOTE SIEGEL, MISCELLANEOUS, INFORMATION CONCERNING,

OTHER SOURCE. INFORMATION OBTAINED BY ROUTING SIXTY DAY MAIL COVER ON

RECENTLY FILED, HAS ONE SOURCE NAME NOT REVEALED, LA [REDACTED]

EX-12

[REDACTED]

DOVER

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/13/95 BY SP-9 mac/lss

[REDACTED]

b7c

It will be noted that Los Angeles advises that Siegel receives mail at [REDACTED] address, according to information developed in the Los Angeles Field Division.

COPIES DESTROYED

211 NOV 17 1964

- Mr. Tolson
- Mr. E. A. Tamm
- Mr. Clegg
- Mr. Coffey
- Mr. Glavin
- Mr. Ladd
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Carson
- Mr. Egan
- Mr. Gendon
- Mr. Harbo
- Mr. Mohr
- Miss Gandy

FEDERAL BUREAU OF INVESTIGATION
U S DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

AUG 8 1946

AUG 15 1946 TELETYPE

SENT VIA

8-02 PM

Per

[Signature]

Aug 8 5 24 PM '46
RECEIVED
U. S. DEPT. OF JUSTICE

b7c

[REDACTED]

6041501-2491-251-11
62-43697-36
62-54474-74
b7c

COPY

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE
Salt Lake City, Utah
July 26, 1946

Director, FBI

PERSONAL AND CONFIDENTIAL

ATTENTION: Assistant Director A. ROSEN

Re: CAPCA
(Bureau File 62-81093)

Dear Sir:

Re: BENJAMIN "HUGS" SIEGEL

DECLASSIFIED BY SP-1 Mac/BS
ON 10/28/93

In a conversation with [REDACTED] he advised Special Agent [REDACTED] a Resident Agent at Las Vegas, Nevada, that on many occasions SIEGEL had mentioned technical and microphone surveillances to him. The informant did not have any specific information but stated that SIEGEL had indicated that he had used such tactics. b7D

In discussing this particular matter, the informant stated that SIEGEL "brags and lies so much" that it is not known whether any credence can be placed in his claims. b7c

It was determined through [REDACTED] that on July 21, 1946, SIEGEL conversed telephonically with MEYER LANSKY from [REDACTED] b7D

RECORDED

62-81512-
F B I
45 AUG 7 1946

52 AUG 14 1946

CC:LA:LC

INITIALS OF [REDACTED]

Director, FBI
Re: CAPGA

Las Vegas, Nevada to telephone Draxel 7011, Los Angeles, California. During the course of the conversation SIEGEL asked LANSKY whether "that friend" of theirs was still in Los Angeles. SIEGEL later identified the friend merely as [REDACTED] (It is believed that he had reference to [REDACTED] of the Capone syndicate, who may have been in Los Angeles in connection with the new race wire service.) LANSKY informed SIEGEL that he did not know whether [REDACTED] had left and SIEGEL instructed that LANSKY inform [REDACTED] if he were still in Los Angeles, that the new wire service in Las Vegas would be requested in the name of [REDACTED] instead of in the name of the other person they had discussed. SIEGEL instructed LANSKY to tell [REDACTED] would write [REDACTED] a letter. b1

[REDACTED]

Through [REDACTED] it was learned that SIEGEL believed that [REDACTED] would leave Los Angeles on July 22, 1946. His destination was not mentioned by any of the persons involved. b2 b7c

Very truly yours, b7c

JAY C. NEAMAN
SAC

JCN [REDACTED] b7c
62-1123
cc: 94-142
62-1130

cc: Asst. Director E.J. Connelley, Chicago
Mr. A.E. Ostholthoff, Los Angeles
Los Angeles
New York City

ALL AMSD
ALL P & C

cc - Mr. Tamm
Mr. Rosen

b7c

E. A. Tamm

August 1, 1946

A. Rosen

URGENTLY REQUESTED

WFOA

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/24/93 BY SP-7 mact/ra

has advised that Benjamin "Bugs" Siegal has discussed the subject of technical and microphone surveillance, indicating that he, Siegal, had used such tactics.

The Salt Lake Division points out that because Siegal "brags and lies so much" it was difficult to know how much credence could be placed in his statements.

The technical surveillance in Las Vegas reflected that Siegal recently called from Las Vegas to Meyer Lansky in Los Angeles. Siegal inquired if "that friend" was still in Los Angeles, later referring to this individual as [redacted]. It is believed he might possibly have been referring to [redacted] of the Capone Syndicate. The latter may have been in Los Angeles in conjunction with the new Trans-American wire service which will compete with the Regen Continental Press organization. Los Angeles is being requested to probe this possibility.

RECOMMENDATION

That the attached letter to the Los Angeles Division be dispatched.

Attachment

Mr. [redacted]
Mr. [redacted]
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

b7c

RECORDED
EX-75

62-81518-3
E B I
AUG 7 1946
INITIALS ON ORIGINAL

cc - Mr. Tolson
Mr. Rosen

b7c

Q
Q

SAC, Los Angeles

August 2, 1946

Director, FBI

Attention: Mr. A. E. Orthelhoff

RECEIVED
FBI
AUG 2 1946

RECORDED

EX-75

62-81518-39

Reference is made to Salt Lake Division letter to the Bureau dated July 26, 1946, a copy of which was made available to your office.

If you have not already processed along this line, it is recommended that you ascertain the activities of [redacted] referred to on page two of referenced letter while the latter was in Los Angeles. As the Salt Lake Division pointed out, it is believed that the [redacted] referred to is possibly identical with the [redacted] of the Eugene Lyons in Chicago.

b2

It is further suggested that consideration be given to probing possible [redacted]

b7D

cc - Chicago
Salt Lake City

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/18/85 BY SP-7max/85

RECEIVED
8/11/46
FBI

- Mr. Tolson
- Mr. E. A. Tamm
- Mr. Clegg
- Mr. Glavin
- Mr. Ladd
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Carson
- Mr. Egan
- Mr. Gurnea
- Mr. Harbo
- Mr. Hendon
- Mr. Pennington
- Mr. Quinn Tamm
- Mr. Nease
- Miss Gandy

57 AUG 15 1946

b7c

81

92

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/28/95 BY SP-9 mac/82

Elm

62-81518-40

NOT USED

151

71

93

COPI

b7c

FEDERAL BUREAU OF INVESTIGATION
U S DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
AUG 6, 1946
TELETYPE

FBI ST LOUIS 8-6-46 12-20 PM HTW

DIRECTOR AND SACS LOS ANGELES AND CHICAGO

ATTENTION ASST. DIRECTOR E. J. CONNELLEY

CAPCA. RETEL AUGUST FIVE, FORTY-SIX FROM LOS ANGELES TO DIRECTOR AND
SACS ST. LOUIS AND CHICAGO, ATTENTION ASST. DIRECTOR E. J. CONNELLEY.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/29/95 BY SP-7 MAC/AB

UNKNOWN THIS OFFICE [REDACTED] QUOTE DINTY UNQUOTE COLEBECK REFERRED
TO AS BENNY COLEBECK IN REFERENCE TELETYPE WAS KILLED FEBRUARY SEVENTEEN,
FORTYTHREE IN ST. LOUIS BY UNKNOWN ASSAILANTS USING MACHINE GUN.
THEORY HAS BEEN ADVANCED THAT WAS RESULT OF HIS MUSCLING ACTIVITIES
IN GAMBLING AND OTHER RACKETS IN EAST ST. LOUIS, ILLINOIS AND SOUTHERN
ILLINOIS. COLEBECK WAS A LEADER IN OLD EGAN COLEBECK GANG ACTIVE HERE
IN EARLY TWENTIES. COLEBECK AND FELLOW GANGSTERS [REDACTED]

FROM FEDERAL PENITENTIARIES ABOUT NINETEEN FORTYONE. HAVE ALL BEEN
REPORTED ACTIVE IN MUSCLING IN ON GAMBLING IN SOUTHERN ILLINOIS.
SPRINGFIELD AND KANSAS CITY OFFICES HAVE BEEN REQUESTED TO SUPPLY ANY
AVAILABLE INFORMATION RE PERSONS MENTIONED IN REFERENCE TELETYPE.

NORRIS

END

ACK IN ORDER

WA 12-24 PM OK FBI WA DC KK

KA LA OK FBI LA DN

CG OK F I CG GB

DISC. T

58 AUG 13 1946

RECORDED

62-81518-41
F B I

70 AUG 12 1946
INITIALS ON ORIGINAL

EX-42

Federal Bureau of Investigation
United States Department of Justice
Los Angeles 13, California
July 31, 1946

PERSONAL AND ~~CONFIDENTIAL~~

DECLASSIFIED BY SP-1/muc/82
ON 7/28/85

Re: BENJAMIN "BUGS" SIEGEL
MISCELLANEOUS; INFORMATION CONCERNING
CRIME SURVEY

Dear Sir:

Reference is made to my letter of July 30, 1946 which sets out certain confidential information received from [redacted] at Los Angeles concerning rumors to the effect that "BUGS" SIEGEL and his associates, in the construction of the Flamingo Hotel paid a bribe in order to secure Civilian Production Administration authority to proceed with the construction of the Flamingo Hotel in Las Vegas.

Along the same line, I am transmitting herewith the front page of the LAS VEGAS TRIBUNE, dated August 1, 1946, which contains a front-page editorial criticizing the construction of this gambling casino at a time when materials are badly needed by veterans for the construction of homes. It would appear that at this point we have jurisdiction to investigate the construction of the Flamingo Hotel in connection with the bribery investigation concerning the C.P.A. Official at Reno, Nevada. It would also appear that we would have jurisdiction on the theory of Fraud Against the Government since it was probably necessary to furnish false information to the Civilian Production Administration in order to obtain the permit to proceed with construction of the Flamingo Hotel. While I do not have available here the legislation creating the Civilian Production Administration and the rules and regulations promulgated by that organization, generally, from information carried in the press the C.P.A. was organized in order to channel building construction into homes rather than commercial enterprises. Also, I am not aware whether the C.P.A. has an investigative staff or whether violations of the rules are within the Bureau's jurisdiction. Certainly, it would appear that furnishing false information to this agency would be our jurisdiction under the Fraud Against the Government Statutes. It is requested that the Bureau ascertain through the Department what jurisdiction we might have in connection with a violation of the C.P.A. regulations.

An open and thorough investigation into the construction of the Flamingo Hotel would have distinct advantages at this time. First of all,



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211 NOV 17 1964

AUG 18 1946

RECORDED

7/27

b7c

Director, FBI

July 31, 1946

Re: BENJAMIN "BUD" SIEGEL

Such an investigation might develop a bribery and fraud against the government violation which could be attributed to SIEGEL, if not directly then perhaps under the conspiracy statute. Secondly, such an investigation might have the effect of stopping construction of the Flamingo Hotel which could conceivably be about the bankruptcy of SIEGEL and his associates. In this connection

stated that SIEGEL and his associates are bending every effort toward the completion of the gambling casinos in the Flamingo Hotel in order that they might be in operation this fall. The informant has stated that once this casino is completed "there will be no stopping SIEGEL" because the casinos will be good for a \$2,000,000 a year income.

In substantiation of the theory that stopping the construction of the Flamingo Hotel would bankrupt SIEGEL and his associates, on July 30, 1946 SIEGEL had a conversation in which he stated that as of today they have \$1,162,500 in the Flamingo Hotel. SIEGEL is making arrangements through GUS GREENBAUM to obtain a \$500,000 loan

SIEGEL also stated that the Utah Corporation had made him a \$350,000 loan and the Cortez Hotel is also going to make them a \$600,000 loan on the Flamingo Hotel. This would indicate that SIEGEL and his associates have already put up all of their available cash. An investigation of this matter under the Fraud Against the Government Statute would permit us to examine witnesses under oath. It would also give us an opportunity, through detailed examination of books and records, to trace back all of the money invested in the Flamingo Hotel, which should, in turn, show exactly how much SIEGEL has invested in this and it could possibly reveal a violation of the Income Tax Laws. Independently of our special investigation of SIEGEL's activities in general, it would appear that the article in the LAS VEGAS TRIBUNE is of such a nature that it might bring about a public demand for an investigation either by the F.B.I. or some other Government agency. No open investigation will be undertaken concerning the Flamingo Hotel until advice is received from the Bureau. We will make a preliminary check into public records at Las Vegas to ascertain the date that construction was started on the Flamingo Hotel and such other information as can be discreetly ascertained in an effort to substantiate the information that the construction of the Flamingo Hotel had gotten no further than "a few stakes being driven in the ground" when the freeze order regulating all commercial building under Civilian Production Administration came into effect.

Very truly yours,

A. E. Ostholhoff
A. E. OSTHOLTHOFF

Encl. (1)

AEO
62-2837
AMASD





Las Vegas Tribune

GAMBLING PALACE IN LAS VEGAS



Labor Dispute



Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. E. A. TAMM

FROM : R. A. ROSEN

SUBJECT: BENJAMIN "BUGSY" SIEGEL
MISCELLANEOUS - INFORMATION CONCERNINGALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/28/85 BY SP-7 MJS/BJL

DATE: 8/1/46

Call 12 Noon

Mr. Tolson	_____
Mr. E. A. Tamm	_____
Mr. Clegg	_____
Mr. Coffey	_____
Mr. Glavin	_____
Mr. Ladd	_____
Mr. Nichols	_____
Mr. Rosen	_____
Mr. Tracy	_____
Mr. Carson	_____
Mr. Egan	_____
Mr. Hendon	_____
Mr. Pennington	_____
Mr. Quinn Tamm	_____
Tele. Room	_____
Mr. Nease	_____
Miss Beahm	_____
Miss Gandy	_____

Mr. Ostholtzoff, Los Angeles Division, advised that [REDACTED] at Los Angeles is very friendly towards the Bureau and on occasion furnishes confidential information. On July 30, 1946, [REDACTED] advised the Agents that he had obtained information from a highly confidential source, whose identity he did not reveal, that the construction of the Flamingo Hotel had not progressed much further than having the stakes driven in when the Civilian Production Administration issued the "freeze order" on the construction of buildings of this type. b7c

[REDACTED] stated that construction on the Flamingo Hotel was temporarily stopped on the basis of this "freeze order" but that [REDACTED] arranged to have funds made available to Senator Pat McCarran the construction of the Flamingo Hotel was permitted to continue. Mr. Ostholtzoff stated that [REDACTED] indicated funds made available to Senator McCarran were in the nature of a bribe probably originating from Siegel. [REDACTED] has indicated that the official in charge of the construction division of the Civilian Production Administration at Reno, Nevada, was involved in the deal and that the construction records of the Flamingo Hotel were falsified to show that the construction was farther along than it actually was. Thus enabling the CPA to authorize the completion of the construction. b7c

NEWSPAPER PUBLICITY: An editorial in the Las Vegas Tribune, a weekly newspaper, prominently placed on the first page of the issue dated August 1, 1946, complains of the fact that the Federal authorities are permitting the construction of the Flamingo Hotel while the veterans are homeless due to a shortage of building materials. The editorial comments on the fact that it is difficult to prevent men of great financial means, such as Benjamin Siegel and Harry Rothburg, from engaging in such building activity. INDEXED

FINANCIAL DIFFICULTIES OF SIEGEL AND ASSOCIATES: Information obtained from the technical surveillances was to the effect that Benjamin Siegel claims he and his associates have spent \$1,162,500.00 to date on the Flamingo Hotel and that Siegel is at the present time in rather straitened financial circumstances. Siegel at the present time is endeavoring to make arrangements through Gus Greenbaum to obtain a \$500,000 loan [REDACTED] He is also endeavoring to obtain a \$600,000 loan from a Utah corporation, the identity of which is being determined as it is known that Siegel previously borrowed \$350,000 from the same corporation on a similar loan in connection with the construction of another hotel. b7c

Wend
Ostholthoff
a.

Memo to Mr. E. A. Tamm

ACTION TO BE TAKEN: Mr. Ostholthoff points out that the Bureau now has allegations of both a Bribery and a Fraud Against the Government and if considered advisable would be in a position to make open inquiries in connection with the construction of the Flamingo Hotel. A discreet preliminary check is presently being made to determine the date the CPA "freeze order" was issued and the extent to which the construction of the Flamingo Hotel had progressed on that date.

OBSERVATION: The Fraud Against the Government violation could be investigated on the basis of the editorial in the Las Vegas Tribune and statements under oath could be obtained from all persons interviewed. The initiation of the investigation might result in stoppage of construction on the Flamingo Hotel and the resultant financial embarrassment to Siegel and associates might bring their activities out into the open. The allegation of a bribe payment to Senator Pat McCarran is rather nebulous. Information concerning same could be developed incidental to the Fraud Against the Government investigation. In connection with this investigation many of the individuals who would be interviewed under oath unquestionably are not involved with the racketeers and there is a possibility some information of value concerning the operations of Siegel and his associates might be obtained. If such investigation is authorized the desirability of suggesting to the Department the assignment of a Special Assistant should be given consideration it being anticipated that it will be necessary to issue subpoenas for the examination of books and records in some instances and the potential witnesses may have local political connections and affiliations.

RECOMMENDATION: It is recommended that the initiation of Fraud Against the Government investigation in connection with the construction of the Flamingo Hotel be given favorable consideration.

*Approved
by Director
EW*

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

TO: COMMUNICATIONS SECTION.

DATE

AUGUST 7, 1946

Transmit the following message to:

62-81518-43

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 10/28/85 BY SP-7 mat/br

URGENT

SPECIAL AGENT IN CHARGE
LOS ANGELES CALIFORNIA

ATTENTION: A. E. OSTHOLTHOFF

BENJAMIN SIGEL MISCELLANEOUS YOU ARE AUTHORIZED INITIATE
IMMEDIATE APPROPRIATE INVESTIGATION INTO ALL ASPECTS OF
REPORTED IRREGULARITIES DEALING WITH CONSTRUCTION OF FLAMINGO
HOTEL AT LAS VEGAS INCLUDING APPARENT ALLEGED IRREGULARITIES
OF OFFICIALS OF CIVIL PRODUCTION ADMINISTRATION. THE
INQUIRIES RELATING TO THE ALLEGED PARTICIPATION OF SENATOR
McCARRAN OR OTHER PROMINENT PEOPLE SHOULD BE HANDLED ON
A DISCREET BASIS IN ORDER THAT NO RUMOR WILL BE CIRCULATED
THAT THE BUREAU IS INVESTIGATING THE SENATOR OR OTHER
OFFICIALS UNTIL SUCH TIME AS DEFINITE INFORMATION HAS BEEN
RECEIVED INDICATING SOME POSSIBLE IRREGULARITY ON THEIR
PARTS

HOOVER

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Foxworth _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Carson _____
Mr. Grayson _____
Mr. Quinn Tamm _____
Mr. Hendon _____
Mr. Tracy _____
Miss Gandy _____

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277 100 064
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

AUG 7 1946

TELEMETER

SENT VIA

Per

Chicago 90, Illinois
August 2, 1946

PERSONAL & CONFIDENTIAL
AIR MAIL-SPECIAL DELIVERY

MEMORANDUM FOR THE DIRECTOR:

RE: CAPCA
Chicago File No. 62-3679
Bureau File No. 62-81093

The following developments of interest have occurred since the bi-weekly summary of July 31, 1946. Reference should be made to the letters and teletypes from July 31 to August 2, 1946.

*Enter 244
① Memorandum
8/4/46*

all
~~RECEIVED~~ ~~INDEX~~

BY
1946

*cc deforbes
6-5712*

62-81518-44

b7C

XXXXXX
XXXXXX
XXXXXX

FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

5 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- ☒ Deleted under exemption(s) b7c with no segregable material available for release to you.
- ☐ Information pertained only to a third party with no reference to you or the subject of your request.
- ☐ Information pertained only to a third party. Your name is listed in the title only.
- ☐ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

_____ Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

_____ Page(s) withheld for the following reason(s):

☐ For your information: _____

☒ The following number is to be used for reference regarding these pages:

62-81518-44 pgs 2 to 6

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 X NO DUPLICATION FEE X
 X FOR THIS PAGE X
 XXXXXXXXXXXXXXXXXXXX

Federal Bureau of Investigation
United States Department of Justice
Los Angeles (15) California
August 7, 1946

Director, FBI

PERSONAL AND CONFIDENTIAL

Re: CAPGA

Attention: Assistant Director ROSEN

Dear Sir:

Reference is made to a letter from the Chicago Field Division dated August 5, 1946 wherein the Los Angeles Office is instructed to cover the activities of JACK DRAGNA and

The last report on the activities of who are the informants in connection with the technical surveillance was made on July 23, 1946. A letter is being prepared summarizing activities as related by these informants. It is anticipated this will be furnished to the Chicago Field Division in the near future. It is intended that this letter will act as a summarization on all information furnished by these informants which has any bearing on the Capga Case since the start of the surveillances. For the information of the Chicago Office, the surveillances were originally started in connection with the Crime Survey and Racketeering Activities in the Los Angeles Field Division as well as in the case entitled "Unknown Subject; Stolen Property Act".

Victim's Address
INDEXED BY
STAMPED

Very truly yours,

R. B. Hood
R. B. HOOD
SAC

62-2821

2 CC: Chicago, Attention: Assistant Director E. J. CONNELLEY

AMSD



SEP 2 10 20 AM '46
RECEIVED

62-81518-45

Federal Bureau of Investigation
United States Department of Justice
Los Angeles (13) California
August 2, 1946

Director, FBI

PERSONAL AND CONFIDENTIAL

Re: CAPGA
(Bureau File 62-81093)

Dear Sir:

Reference is made to my letter dated August 2, 1946, captioned
as above.

was in Los Angeles and in response to a wire, the St. Louis Field Office
teletyped as follows:

he is interested in the matter
and who has been assigned by Chief of Police



*certified
5/12
6*

62-81518-46

Director, FBI

August 2, 1946

Re: CAPGA

to develop information regarding individuals in this town reputedly to do muscle work for the Rival Syndicate, states that he will have further information concerning association today and as soon as this is received it will be furnished the Chicago Field Division. Also, it is intention to do further investigation concerning and this office will be given the benefit of that as soon as it is available.

The attention of the Chicago Office is drawn to the magazine entitled "Magazine Digest" for the month of August, on Page 21 of which appears the article "Scarface Rules Again" by VICTOR GRANT. This article in some detail deals with the Capga Case. Also, the attention of the Chicago Office is directed to "Life" Magazine, the issue of May 15, 1944, entitled "Gangland Stirs Again". This article is along parallel lines as the one referred to in the "Magazine Digest" and the possibility exists that both of them may have as their original informant JAMES RAGEN, Sr.

In a letter to the Bureau dated July 26, 1946 the Chicago Office asked the Los Angeles Office, among others, to determine whether any individuals had departed from this area for New York, where an anticipated meeting of various big-time hoodlums was to be held. The informants of this Field Division have been unable to develop facts indicating that persons tied in with this enterprise left Los Angeles for New York at such a time.

Reportedly, wa, was in Los Angeles about July 24, 1946 for a day or so. according to information developed by has been attempting to find out whether was in Los Angeles, but has been unable to develop any positive information to date.

As pointed out in my letter dated August 2, 1946, captioned as above, was in Los Angeles for a day or so and it may be that he was here to meet with although that, of course, is pure conjecture, is able to develop further information concerning the activities of It is his idea, however, that if were in town it undoubtedly was in connection with the wire service, and since his own informants tell him that some of

Director, FBI

August 2, 1946

Re: CAPGA

are connected with
inference.

drew the above

Reference is made to a letter from the Bureau to Los Angeles Office dated July 24, 1946, entitled "CAPGA", wherein the Bureau requested information concerning the ownership of the Del Mar Race Track at Del Mar, California.

The informant states that he has definitely made up his mind that BENJAMIN "BUGS" SIEGEL has no interest in the track. it is the intention of the new management to police the track closely, throwing out every character, tout and bookmaker that makes his appearance at the track. is of the opinion that any scandal attached to the operation of the track will reflect upon the new management as well as on all tracks throughout the United States.

Very truly yours,

R. B. Hood
R. B. HOOD
SAC

62-2821

cc: Chicago (62-3679)

Attention: E. J. CONNELLEY, Assistant Director

AMASD

CHICAGO 90, ILLINOIS

August 6, 1946

SAC New York

Re: CAPRA

Dear Sir:

Reference is made to your teletype of August 5, 1946, which is quoted as follows for the benefit of the Los Angeles and New Orleans Offices:

THIS INFORMATION ALTHOUGH DEEMED RELIABLE HAS NOT BEEN CONFIRMED AS YET."

The Los Angeles Office is particularly interested in the activities of CHARLES "LUCKY" LUCIANO as it has previously been reported he was supposedly in Mexico and may have also made a trip to California.

Bureau

*See Detroit
5/11*

62-81518-47

SAC, New York
8/6/46

CAPGA

In following up this matter it is suggested that in connection with the information indicating these various individuals have proceeded to Mexico, we should have suitable checks made for their departure from the United States and re-entry into the United States where this can be accomplished through the Immigration and Naturalization Service, and all the detailed information should, of course, be furnished to the Bureau.

Very truly yours,

E. J. CONNELLEY
Assistant Director

cc-Bureau (2) ✓
Los Angeles (2)
New Orleans (2)
Newark (2)

62-3679

AIR MAIL - SPECIAL DELIVERY

CHICAGO 90, ILLINOIS

August 6, 1946

SAC New York

Re: CAPCA

Dear Sir:

Reference is made to your teletype of August 2, 1946. as to
and the activities of

a Kirkeby hotel enterprise, in apparently disclosing the fact that he was under surveillance by Agents of the Bureau. It is noted that he telephoned this information from Chicago advising that he had received this information. As indicated previously, he referred to is undoubtedly whom he tried to reach from Atlantic City and who apparently subsequently communicated with him advising him as above. One possibly is concerned with this situation and we have previously requested advice as to the identity of this individual.

You should have reference to report entitled "REPORTED INTEREST OF RACKETEERS IN PURCHASE OF HOTELS - MISCELLANEOUS INFORMATION, CRIME SURVEY", Office of origin. Los Angeles. Bureau file 62-80831, as submitted by Special Agent Los Angeles, dated April 18, 1946, and other communications of the Los Angeles and other offices available to the New York Office. These deal with the possibility that in connection with his various hotel ventures, may be associated with certain racketeer hoodlum interests in the financing of these various hotel projects. The implications indicated in the report above referred to are sufficient to show that in contact with any Kirkeby hotels caution should be exercised due to these supposed connections, which have possibly some substance.

Letter of the New York Office dated March 20, 1946. in this subject matter, shows an interview of that was well acquainted with and he indicated that and was also

apparently concerned with the

Any contact in the future had with these hotels at New York should be had with due consideration to the possibilities that hoodlums such as et al, may be given advice as to our activities. This information

62-81093 6

Bureau

62-81518-48

DIRECTOR
8/6/46

CAPGA

should be indicated on various source of information cards in the office in order that the personnel may be forewarned in their contacts at these hotels.

Inquiry is being conducted by the Chicago office in the matter as to the reported interests of racketeers in the purchase of hotels and inquiry has been made of such as _____ associated with Kirkeby in certain interests as to hotels. It is also noted that the _____ mentioned in report of April 18, 1946, previously above referred to, has been identified as _____

Inquiry was made in this situation by the New York Office as reflected in the report of Special Agent _____ dated at New York May 20, 1946. Copies of reports in this matter as to investigation conducted by Chicago will be furnished the New York Office. In this connection it is believed that offices conducting inquiry as to the supposed interests of racketeers in hotels should furnish copies of their reports to the various offices in whose districts hotels operated by the _____ interests are located.

Very truly yours,

F. J. CONNELLEY
Assistant Director

WJ

cc-Bureau (2) ✓
Los Angeles (1)
Chicago File 62-3673 (2)

62-3673

AIR MAIL - SPECIAL DELIVERY

*no action
Pres 8/23/46
5/17/46 R*

U S DEPARTMENT OF DEFENSE
COMMUNICATIONS

AUG 8 1946

TELEMETRY

Mr. Tolson	
Mr. E.A. Tamm	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Carson	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Hendon	
Mr. Jones	
Mr. Mumford	
Mr. Quinn	
Mr. Nease	
Miss Gandy	

WASH FROM LOSA7 8 3-36 PM

DIRECTOR

U R G E N T

CAPGA. AUTHORIZATION REQUESTED SIXTY DAY MAIL COVER ~~WEEK~~ ON
JACK DRAGNA, LOCAL KEY FIGURE INSTANT MATTER.

HOOD

*with
8-12-46
8/1/46*

CONF TWO STATIONS WASH5 AND CG01 FROM LOSA 8 3-03 PM

✓ DIRECTOR AND SAC U R G E N T

CAPGA.

REPORTS THAT BEN SIEGEL SAID

THAT ON APPROX JULY THIRTYONE, LAST, HE,

JACK DRAGNA,

HAD DINNER AT LUCY'S RESTAURANT

IN L.A.

. INQUIRIES

CONTINUING IN EFFORT TO LOCATE HIM THROUGH CONFIDENTIAL IN-

FORMANTS WITH NEGATIVE RESULTS TO DATE. IF CHICAGO SUCCESS-

FUL IN GETTING L.A. ADDRESS

THROUGH ~~CHICAGO~~

C.I.S, HIS FAMILY OR OTHER CONFIDENTIAL SOURCES NOTIFY L.A.

IMMEDIATELY.

HOOD

PLS ACK

COPY

b7c

F.B.I. TELETYPE

~~CONFIDENTIAL~~

CONF WASH 5 CHICAGO 1 FROM NEW YORK 4-54 PM
DIRECTOR AND SAC

URGENT

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

CAPGA. MEYER LANSKY AND SON PAUL [REDACTED] ARRIVED NYC
ABOUT TWO AM, D.S.T. THIS DATE. LANSKY UNDER SURVEILLANCE, NY.
EVENTUALLY PROCEEDED WITH PERSON BELIEVED WIFE TO 211 CENTRAL PARK
WEST, NYC. WHERE HE OCCUPIES APARTMENT 19 G. [REDACTED]

b2
b7c
b7D

[REDACTED] IN-
DICATION LANSKY IN NUMEROUS CONFERENCES WITH BENJAMIN HUGS SIGAL
AT LOS ANGELES. LANSKY APPEARS TO BE KEY FIGURE IN CRIMINAL SYN-
DICATE OPERATIONS. SUGGESTED BY NY OFFICE FOR INTENSIVE INVESTI-
GATION IN VIEW OF PAST RACKETEERING ASSOCIATIONS WITH FRANK COSTELLO,
JOE ADONIS, ET AL. BELIEVED TECHNICAL SURVEILLANCE ON LANSKY WILL
DISCLOSE POSSIBLE CONSPIRACY LINK WITH RACKETEERS IN OTHER AREAS.
INFORMATION CANNOT BE SECURED FROM THIS SOURCE BY OTHER MEANS EXCEPT
AT GREAT RISKS. ALL PRECAUTIONS WILL BE TAKEN TO INSURE SAFETY BY
PRELIMINARY SURVEY. LENGTH OF SURVEILLANCE AT PRESENT INDETERMINATE.
AUTHORITY REQUESTED FOR INSTALLATION OF TECHNICAL SURVEILLANCE ON
PHONE OF LANSKY SET FORTH ABOVE AT 211 CENTRAL PARK WEST, NYC.

CONROY

TRANSMITTED TO CG BY GR

RECEIVED [REDACTED] 6:04 PM EST

MOC

b1

CLASSIFIED BY [REDACTED] 10/24/80
DECLASSIFY ON: OADR 10/24/80

[Handwritten signature]

RECORDED

62-8518-151

F B I

(c)

~~CONFIDENTIAL~~

INITIALS ON ORIGINAL

ORIGINAL FILED IN

368